# MANAGEMENT'S DISCUSSION AND ANALYSIS

Management's discussion and analysis ("MD&A") is dated July 26, 2017 and should be read in conjunction with the unaudited consolidated financial statements for the period ended June 30, 2017 and the audited consolidated financial statements for the year ended December 31, 2016 for a full understanding of the financial position and results of operations of Crescent Point Energy Corp. (the "Company" or "Crescent Point").

The unaudited consolidated financial statements and comparative information for the period ended June 30, 2017 have been prepared in accordance with International Financial Reporting Standards ("IFRS"), specifically International Accounting Standard ("IAS") 34, *Interim Financial Reporting*.

### STRUCTURE OF THE BUSINESS

The principal undertaking of Crescent Point is to carry on the business of acquiring, developing and holding interests in petroleum and natural gas properties and assets related thereto through a general partnership and wholly owned subsidiaries. Amounts in this report are in Canadian dollars unless noted otherwise. References to "US$" are to United States ("U.S.") dollars.

## Results of Operations

### Production

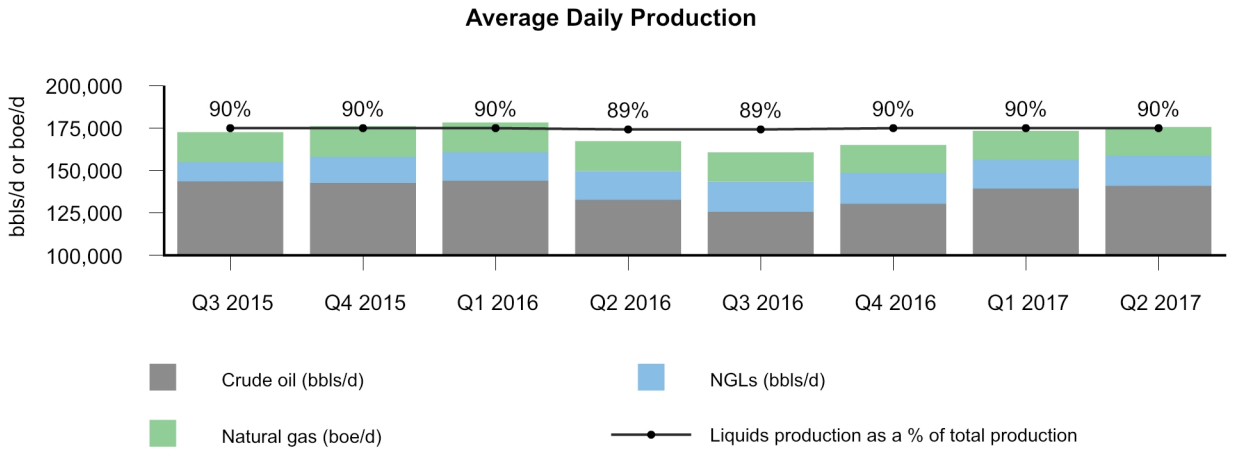
| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Crude oil (bbls/d) | **140,878** | 132,730 | 6 | **140,095** | 138,351 | 1 |
| NGLs (bbls/d) | **17,658** | 16,870 | 5 | **17,361** | 16,822 | 3 |
| Natural gas (mcf/d) | **102,471** | 105,709 | (3) | **102,133** | 105,340 | (3) |
| Total (boe/d) | **175,615** | 167,218 | 5 | **174,478** | 172,730 | 1 |
| Crude oil and NGLs (%) | **90** | 89 | 1 | **90** | 90 | - |
| Natural gas (%) | **10** | 11 | (1) | **10** | 10 | - |
| Total (%) | **100** | 100 | - | **100** | 100 | - |

Production increased by 5 percent in the second quarter of 2017 compared to the same period in 2016 primarily due to the increases in crude oil and NGL production, partially offset by the decrease in natural gas production. Crude oil and NGL production increased by 6 percent and 5 percent, respectively, primarily due to the Company's successful capital development program, partially offset by natural declines. Natural gas production decreased by 3 percent primarily due to the one month shut-in of the Company's gas production in Southern Alberta due to a turnaround at a third party gas plant.

Production remained relatively consistent in the six months ended June 30, 2017 compared to the same period in 2016 as the increase in NGL production was offset by the decrease in natural gas production. NGL production increased by 3 percent primarily due to the Company's successful capital development program. Natural gas production decreased by 3 percent primarily due to the one month shut-in of the Company's gas production in Southern Alberta due to a turnaround at a third party gas plant. Crude oil production remained consistent due to the Company's management of its capital development program and acquisitions completed in 2016.

The Company's weighting to crude oil and NGLs in the three and six months ended June 30, 2017 remained consistent with the 2016 comparative periods.

*Exhibit 1*



The following is a summary of Crescent Point's production by area:

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| **Production By Area (boe/d)** | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Williston Basin | **104,686** | 104,210 | - | **103,342** | 106,699 | (3) |
| Southwest Saskatchewan | **43,455** | 37,509 | 16 | **43,951** | 39,429 | 11 |
| Uinta Basin | **15,856** | 12,253 | 29 | **14,382** | 13,060 | 10 |
| Other | **11,618** | 13,246 | (12) | **12,803** | 13,542 | (5) |
| Total | **175,615** | 167,218 | 5 | **174,478** | 172,730 | 1 |

In the three and six months ended June 30, 2017, the Company drilled 85 (66.8 net) wells and 371 (326.5 net) wells, respectively.

*Exhibit 2*

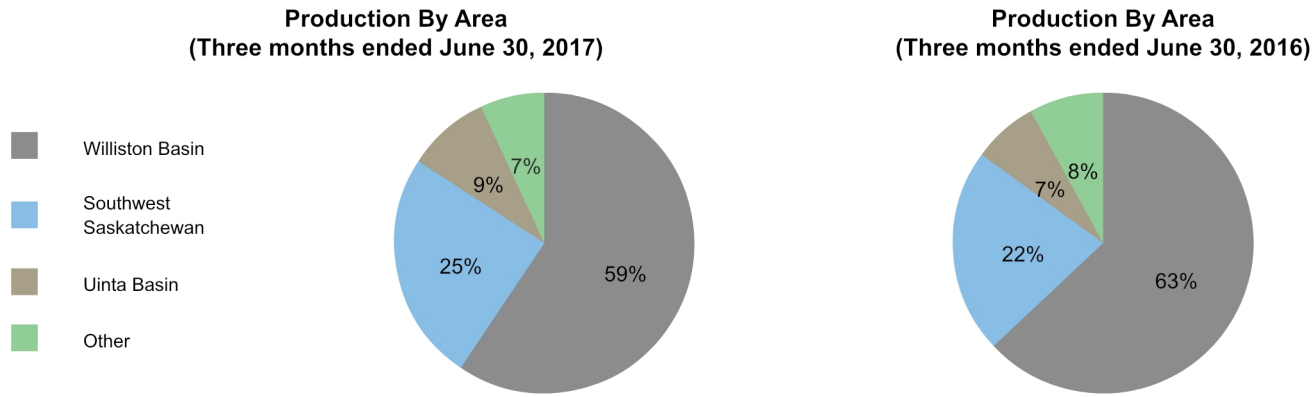
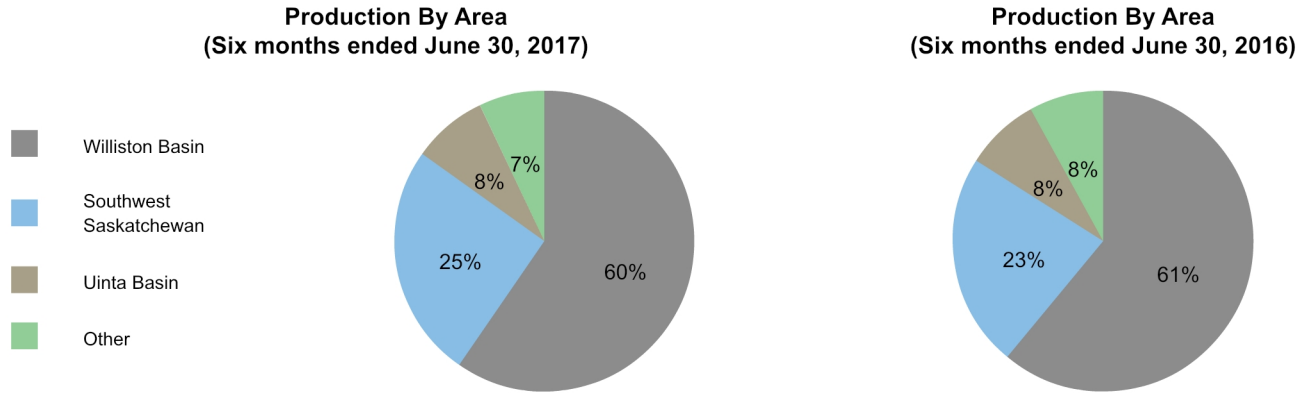



*Exhibit 3*




## Marketing and Prices

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| **Average Selling Prices** [1] | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Crude oil ($/bbl) | **58.09** | 50.31 | 15 | **58.55** | 43.00 | 36 |
| NGLs ($/bbl) | **25.28** | 14.18 | 78 | **25.24** | 11.34 | 123 |
| Natural gas ($/mcf) | **3.03** | 1.72 | 76 | **3.04** | 1.88 | 62 |
| Total ($/boe) | **50.92** | 42.45 | 20 | **51.30** | 36.69 | 40 |

(1) The average selling prices reported are before realized derivatives and transportation.

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| **Benchmark Pricing** | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| **Crude Oil Prices** | | | | | | |
| WTI crude oil (US$/bbl) [1] | **48.29** | 45.60 | 6 | **50.07** | 39.56 | 27 |
| WTI crude oil (Cdn$/bbl) | **65.26** | 58.46 | 12 | **66.76** | 52.75 | 27 |
| **Crude Oil Differential** | | | | | | |
| LSB crude oil (Cdn$/bbl) [2] | **(3.97)** | (5.63) | (29) | **(5.17)** | (6.56) | (21) |
| WCS crude oil (Cdn$/bbl) [3] | **(15.02)** | (17.15) | (12) | **(17.14)** | (18.37) | (7) |
| Yellow wax crude oil (US$/bbl) [4] | **(4.75)** | (4.75) | - | **(4.75)** | (4.75) | - |
| **Natural Gas Prices** | | | | | | |
| AECO daily spot natural gas (Cdn$/mcf) [5] | **2.79** | 1.40 | 99 | **2.74** | 1.62 | 69 |
| AECO monthly index natural gas (Cdn$/mcf) | **2.77** | 1.25 | 122 | **2.86** | 1.68 | 70 |
| **Foreign Exchange Rate** | | | | | | |
| Exchange rate (US$/Cdn$) | **0.74** | 0.78 | (5) | **0.75** | 0.75 | - |

(1) WTI refers to the West Texas Intermediate crude oil price.

(2) LSB refers to the Light Sour Blend crude oil price.

(3) WCS refers to the Western Canadian Select crude oil price.

(4) Yellow wax crude oil differential is based on posted prices from a leading Salt Lake City refiner.

(5) AECO refers to the Alberta Energy Company natural gas price.

In the second quarter of 2017, the Company's average selling price for crude oil increased 15 percent from the same period in 2016 primarily as a result of a 6 percent increase in the US$ WTI benchmark price, a weaker Canadian dollar and a narrower corporate oil price differential. Crescent Point's corporate oil differential relative to Cdn$ WTI for the second quarter of 2017 was $7.17 per bbl compared to $8.15 per bbl in the second quarter of 2016.

The Company’s corporate oil differential for the second quarter of 2017 was primarily impacted by a narrowing of oil differentials. In the three months ended June 30, 2017, the Cdn$ WTI - LSB differential discount narrowed to average $3.97 per bbl, a 29 percent decrease from the same period in 2016. The Cdn$ WTI - WCS differential discount also narrowed to average $15.02 per bbl in the second quarter of 2017, a 12 percent decrease from the same period in 2016. Light Sour Blend and Western Canadian Select differentials narrowed due to the fire at the Syncrude Mildred Lake facility which impacted supply for oil. Light Sour Blend differentials also narrowed due to the startup of the Dakota Access Pipeline, which caused an increase in demand for light oil in North Dakota and helped further increase demand for all other light grades across Western Canada.

In the six months ended June 30, 2017, the Company's average selling price for oil increased 36 percent from the same period in 2016, primarily as a result of a 27 percent increase in the US$ WTI benchmark price and a narrower corporate oil price differential. The Company's corporate oil differential compared to Cdn$ WTI for the six months ended June 30, 2017 was $8.21 per bbl compared to $9.75 per bbl in the same period of 2016.

The Company's corporate oil differential for the six months ended June 30, 2017 was impacted by a narrowing of oil differentials. In the six months ended June 30, 2017, the Cdn$ WTI - LSB differential discount narrowed to average $5.17 per bbl, a 21 percent decrease from the same period in 2016, and the Cdn$ WTI - WCS differential discount also narrowed to average $17.14 per bbl, a 7 percent decrease from the same period in 2016.

The Company is exposed to medium and heavy oil differentials due to the Company's production base in Southwest Saskatchewan, which is weighted to medium crude and is typically sold at a premium to WCS prices. The Company's production base in the Uinta Basin, which exposes the Company to Yellow wax crude and Black wax crude oil differentials, is typically sold into the Salt Lake City refinery complex.

The Company's average selling price for NGLs in the three and six months ended June 30, 2017 increased 78 percent from $14.18 per bbl to $25.28 per bbl and 123 percent from $11.34 per bbl to $25.24 per bbl, respectively. Average selling prices for NGLs were impacted by the strengthening of propane, butane and condensate prices resulting from the increase in crude oil prices and production cuts.

The Company's average selling price for natural gas in the three and six months ended June 30, 2017 increased 76 percent from $1.72 per mcf to $3.03 per mcf and 62 percent from $1.88 per mcf to $3.04 per mcf, respectively, primarily as a result of the increase in the AECO daily benchmark price and the impact of NYMEX based pricing received on the Company's Utah and North Dakota gas production.

*Exhibit 4*

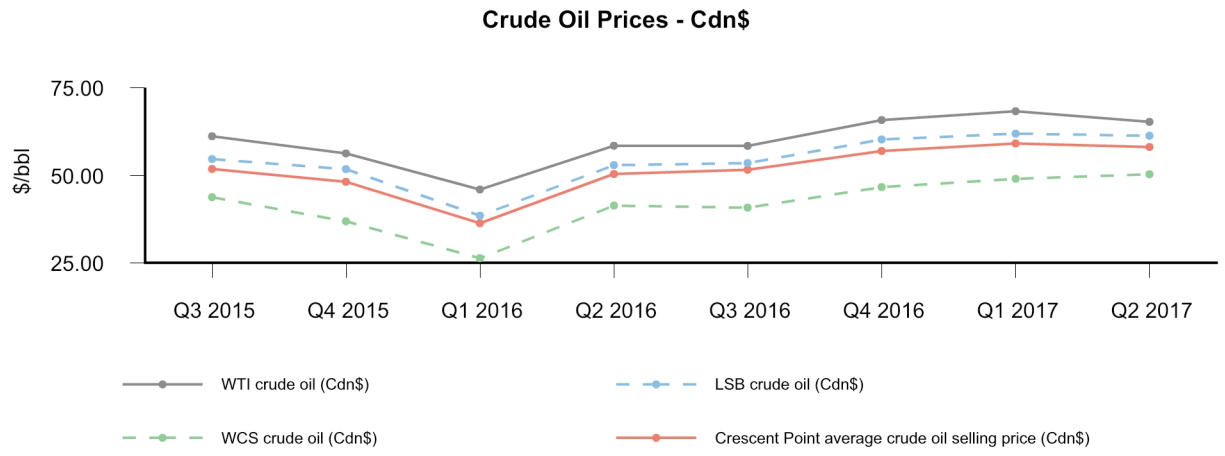



*Exhibit 5*

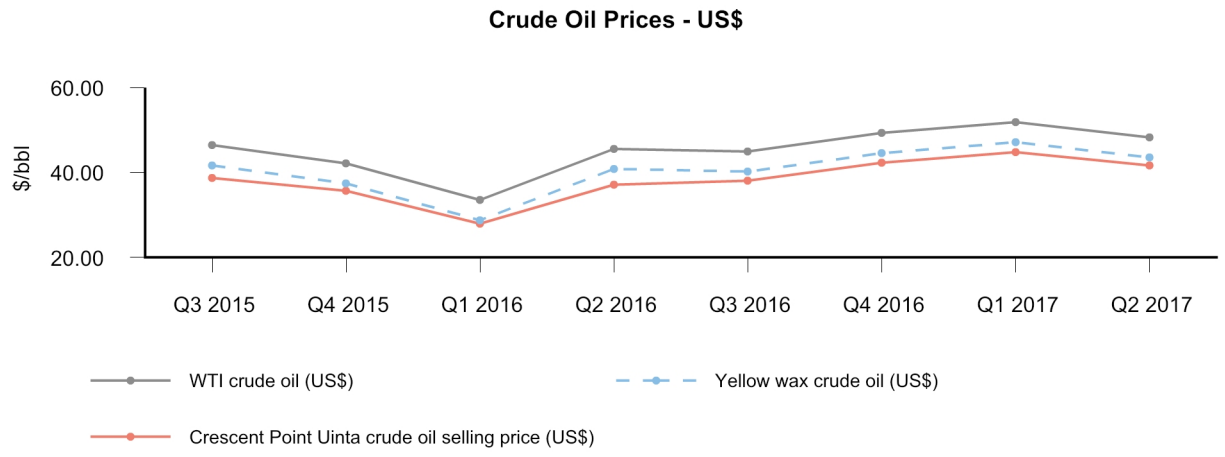



*Exhibit 6*

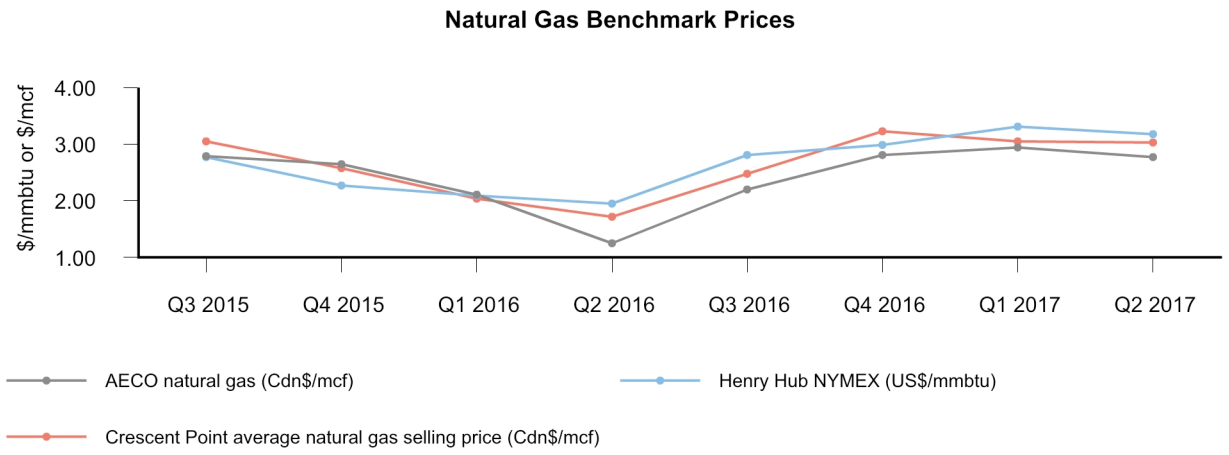
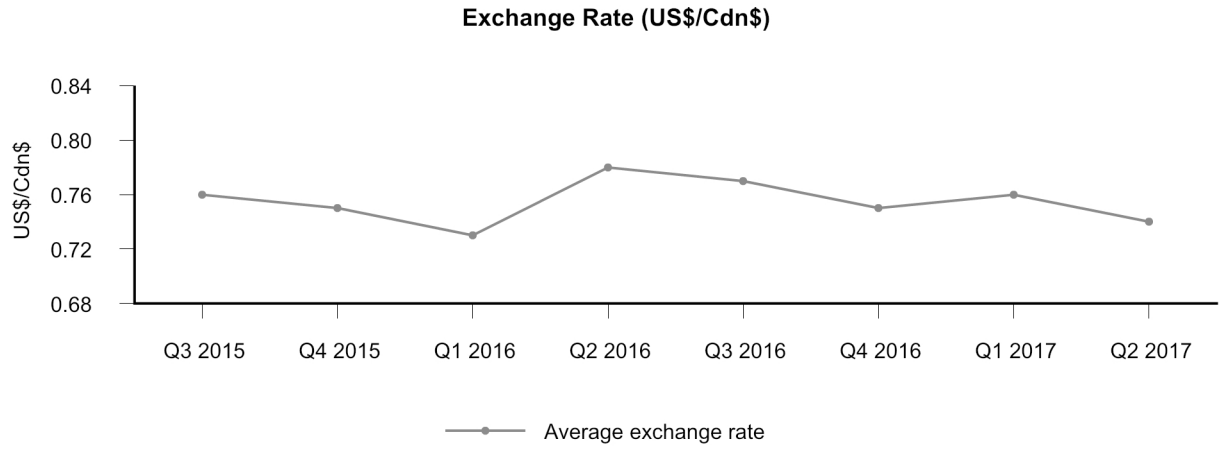


*Exhibit 7*




**Derivatives**

The following is a summary of the realized derivative gain on crude oil and natural gas derivative contracts:

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions, except volume amounts) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Average crude oil volumes hedged (bbls/d) [(1)] | **56,205** | 53,375 | 5 | **55,708** | 48,688 | 14 |
| Crude oil realized derivative gain [(1)] | **21.8** | 107.9 | (80) | **30.5** | 315.8 | (90) |
| per bbl | **1.70** | 8.94 | (81) | **1.20** | 12.54 | (90) |
| Average natural gas volumes hedged (GJ/d) [(2)] | **40,000** | 39,000 | 3 | **42,735** | 34,000 | 26 |
| Natural gas realized derivative gain | **1.4** | 8.1 | (83) | **3.5** | 12.3 | (72) |
| per mcf | **0.15** | 0.83 | (82) | **0.19** | 0.64 | (70) |
| Average barrels of oil equivalent hedged (boe/d) [(1)] | **62,524** | 59,536 | 5 | **62,459** | 54,059 | 16 |
| Total realized derivative gain [(1)] | **23.2** | 116.0 | (80) | **34.0** | 328.1 | (90) |
| per boe | **1.45** | 7.62 | (81) | **1.08** | 10.44 | (90) |

(1) The crude oil realized derivative gain includes the realized derivative gains and losses on financial price differential contracts in the respective periods. The average crude oil volumes hedged and average barrels of oil equivalent hedged do not include the hedged volumes related to financial price differential contracts.

(2) GJ/d is defined as gigajoules per day.

Management of cash flow variability is an integral component of Crescent Point's business strategy. Crescent Point regularly monitors changing business and market conditions and reviews such conditions with the Board of Directors to establish risk management guidelines used by management in carrying out the Company's strategic risk management program. Crescent Point proactively manages the risk exposure inherent in movements in the price of crude oil, natural gas and power, and fluctuations in the US/Cdn dollar exchange rate and interest rates through the use of derivatives with investment-grade counterparties.

The Company's crude oil and natural gas derivatives are referenced to WTI and the AECO monthly index, respectively, unless otherwise noted. Crescent Point utilizes a variety of derivatives, including swaps, collars and put options to protect against downward commodity price movements while providing the opportunity for some upside participation during periods of rising prices. For commodities, Crescent Point's risk management program allows for hedging a forward profile of 3½ years and up to 65 percent of net royalty interest production, unless otherwise approved by the Board of Directors.

With the ongoing volatility of price differentials between WTI and western Canadian crude prices, Crescent Point hedges price differentials as a part of its risk management program. The Company uses a combination of financial derivatives and fixed differential physical contracts to hedge these price differentials. For price differential hedging, Crescent Point's risk management program allows for hedging a forward profile of 3½ years, and up to 35 percent net of royalty interest production. In addition, the Company can deliver crude oil through its various rail terminals to provide access to diversified markets and pricing.

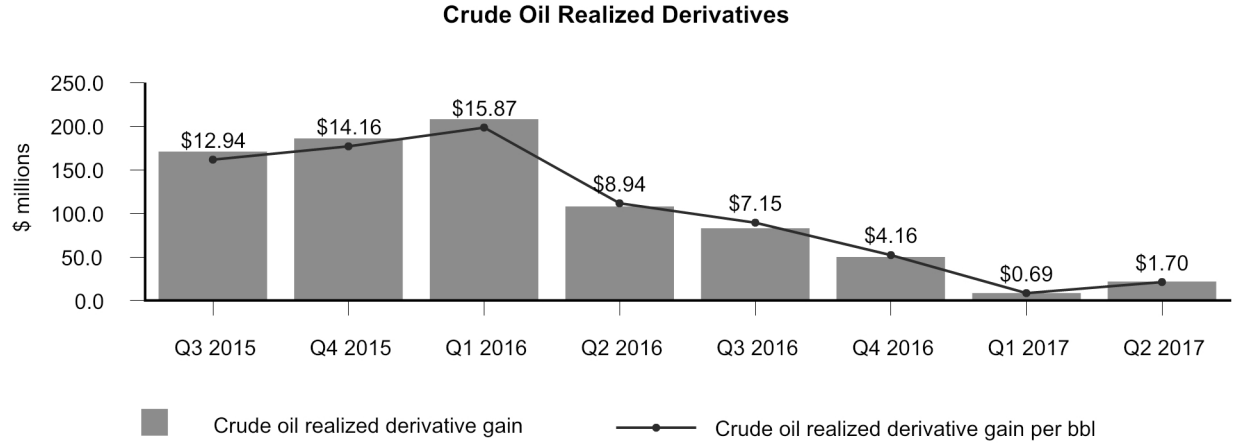
The Company recorded total realized derivative gains of $23.2 million and $34.0 million for the three and six months ended June 30, 2017, respectively, compared to $116.0 million and $328.1 million in the respective periods in 2016.

The Company's realized derivative gain for oil was $21.8 million and $30.5 million for the three and six months ended June 30, 2017, respectively, compared to $107.9 million and $315.8 million for the respective periods in 2016. The decreased realized derivative gain in the three months ended June 30, 2017 is largely attributable to the decrease in the Company's average derivative oil price and the increase in the Cdn$ WTI benchmark price, partially offset by an increase in oil volumes hedged. The decreased realized derivative gain in the six months ended June 30, 2017 is largely attributable to the increase in the Cdn$ WTI benchmark price and the decrease in the Company's average derivative oil price, partially offset by an increase in oil volumes hedged. The realized derivative gain for the six months ended June 30, 2016 also included the $42.0 million realized derivative gain from the unwind and settlement of a portion of the Company's 2017 and 2018 hedges. During the three months ended June 30, 2017, the Company's average derivative oil price decreased 14 percent or $11.17 per bbl, from $80.69 per bbl in 2016 to $69.52 per bbl in 2017. During the six months ended June 30, 2017, the Company's average derivative oil price decreased 17 percent or $13.88 per bbl, from $83.66 per bbl in 2016 to $69.78 per bbl in 2017.

Crescent Point's realized derivative gain for gas was $1.4 million and $3.5 million for the three and six months ended June 30, 2017, respectively, compared to $8.1 million and $12.3 million for the respective periods in 2016. The decreased realized derivative gains in the three and six months ended June 30, 2017 are largely attributable to the increase in the AECO monthly index price and the decrease in the Company's average derivative gas price, partially offset by the increase in gas volumes hedged. During the three months ended June 30, 2017, the Company's average derivative gas price decreased 13 percent or $0.43 per GJ, from $3.44 per GJ in 2016 to $3.01 per GJ in 2017. During the six months ended June 30, 2017, the Company's average derivative gas price decreased 10 percent or $0.34 per GJ, from $3.51 per GJ in 2016 to $3.17 per GJ in 2017.

The Company has not designated any of its risk management activities as accounting hedges under IFRS 9, *Financial Instruments* and, accordingly, has recorded its derivatives at fair value with changes in fair value recorded in net income.

*Exhibit 8*




The following is a summary of the Company's unrealized derivative gain (loss):

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Crude oil | **68.2** | (291.8) | (123) | **174.7** | (382.3) | (146) |
| Natural gas | **1.9** | (17.1) | (111) | **14.2** | (8.1) | (275) |
| Interest | **3.3** | (0.4) | (925) | **2.9** | (3.0) | (197) |
| Power | **0.3** | 0.2 | 50 | **0.3** | 0.1 | 200 |
| Cross currency | **(88.2)** | 69.6 | (227) | **(117.0)** | (141.7) | (17) |
| Foreign exchange | **(0.2)** | 1.7 | (112) | **(0.7)** | (1.4) | (50) |
| Total unrealized derivative gain (loss) | **(14.7)** | (237.8) | (94) | **74.4** | (536.4) | (114) |

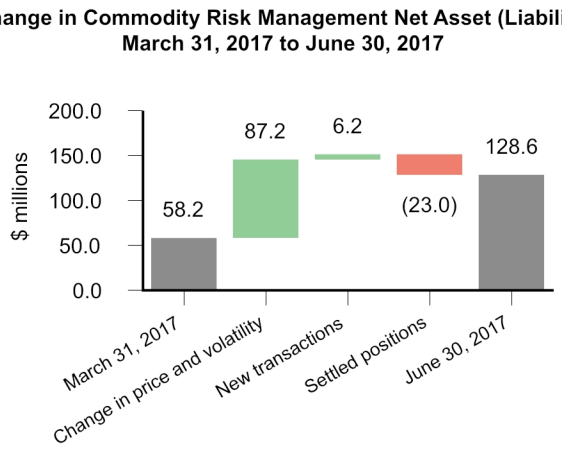
The Company recognized a total unrealized derivative loss of $14.7 million for the three months ended June 30, 2017 compared to $237.8 million in the same period in 2016. The loss is primarily due to the $88.2 million unrealized derivative loss on Cross Currency Swaps ("CCS") compared to a $69.6 million unrealized derivative gain in 2016. The unrealized CCS derivative loss for the three months ended June 30, 2017 is primarily the result of the stronger near-term forward Canadian dollar at June 30, 2017 compared to March 31, 2017. The unrealized CCS derivative gain for the three months ended June 30, 2016 was primarily the result of the slightly weaker forward Canadian dollar at June 30, 2016 compared to March 31, 2016 and the maturity of out-of-the-money contract months.

The total unrealized derivative loss in the second quarter of 2017 was partially offset by a $68.2 million unrealized derivative gain on crude oil contracts compared to a $291.8 million unrealized derivative loss in the second quarter of 2016. The unrealized oil derivative gain in the second quarter of 2017 is primarily attributable to the decrease in the Cdn$ WTI forward benchmark price at June 30, 2017 as compared to March 31, 2017. The unrealized oil derivative loss in the second quarter of 2016 was primarily attributable to the increase in the Cdn$ WTI forward benchmark price at June 30, 2016 compared to March 31, 2016 and the maturity of in-the-money contract months.

During the six months ended June 30, 2017, the Company recognized a total unrealized derivative gain of $74.4 million compared to a total unrealized derivative loss of $536.4 million in the same period in 2016. The total unrealized derivative gain in the first half of 2017 is primarily due to a $174.7 million unrealized derivative gain on crude oil contracts compared to a $382.3 million unrealized derivative loss in the first half of 2016. The unrealized oil derivative gain for the six months ended June 30, 2017 is primarily attributable to the decrease in the Cdn$ WTI forward benchmark price at June 30, 2017 compared to December 31, 2016. The unrealized oil derivative loss for the six months ended June 30, 2016 was primarily attributable to the maturity of in-the-money contract months, the unwind and settlement of a portion of the Company's 2017 and 2018 hedges and the increase in the Cdn$ WTI forward benchmark price at June 30, 2016 compared to December 31, 2015.

The total unrealized derivative gain in the six months ended June 30, 2017 was partially offset by a $117.0 million loss on CCS compared to $141.7 million in the same period in 2016. The unrealized CCS derivative loss for the six months ended June 30, 2017 was primarily the result of the stronger forward Canadian dollar at June 30, 2017 compared to December 31, 2016. The unrealized CCS derivative loss for the six months ended June 30, 2016 was primarily the result of the stronger forward Canadian dollar at June 30, 2016 compared to December 31, 2015.

*Exhibit 9*



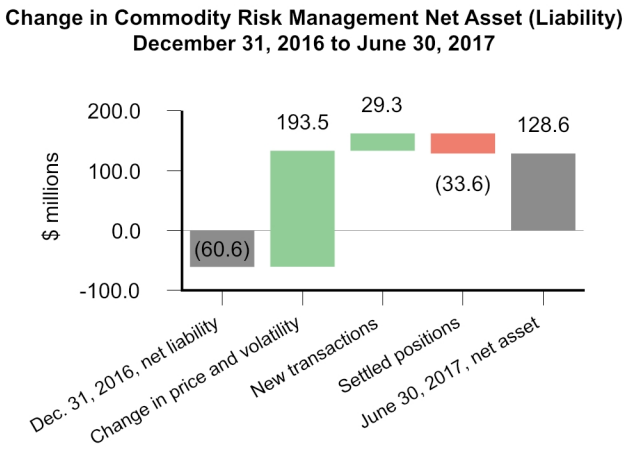
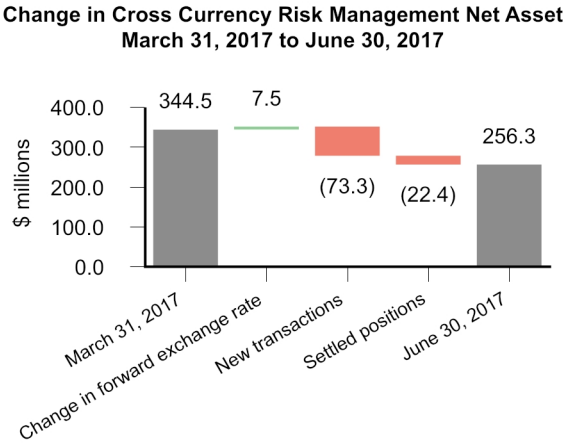
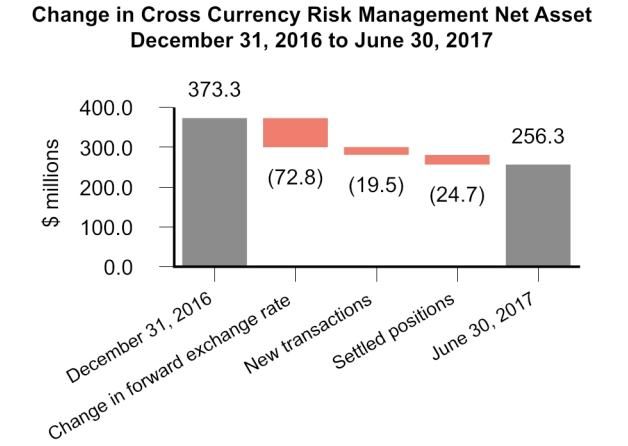




*Exhibit 10*



## Revenues

| ($ millions) [1] | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Crude oil sales | **744.7** | 607.6 | 23 | **1,484.7** | 1,082.8 | 37 |
| NGL sales | **40.6** | 21.8 | 86 | **79.3** | 34.7 | 129 |
| Natural gas sales | **28.4** | 16.5 | 72 | **56.2** | 36.0 | 56 |
| Total oil and gas sales | **813.7** | 645.9 | 26 | **1,620.2** | 1,153.5 | 40 |

(1) Revenue is reported before realized derivatives.

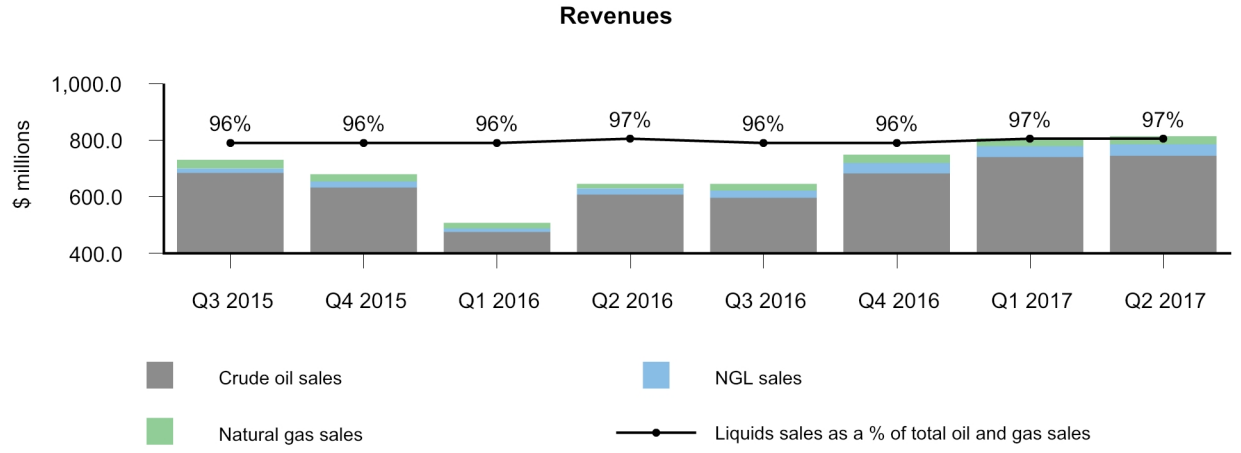
Crude oil sales increased 23 percent in the three months ended June 30, 2017, from $607.6 million in 2016 to $744.7 million in 2017, primarily due to the 15 percent increase in realized prices and the 6 percent increase in crude oil production. The increase in realized prices is largely a result of the 12 percent increase in the Cdn$ WTI benchmark price as compared to the second quarter of 2016 and a narrower corporate oil differential. The increased production in the second quarter of 2017 is primarily due to the Company's successful capital development program.

Crude oil sales increased 37 percent in the six months ended June 30, 2017, from $1.1 billion in 2016 to $1.5 billion in 2017, primarily due to the 36 percent increase in realized prices. The increase in realized prices is largely a result of the 27 percent increase in the Cdn$ WTI benchmark price as compared to the first half of 2016 and a narrower corporate oil differential.

NGL sales increased 86 percent and 129 percent in the three and six months ended June 30, 2017, respectively, compared to the same periods in 2016, primarily due to the 78 percent and 123 percent increase in realized NGL prices, respectively, and the 5 percent and 3 percent increase in NGL production, respectively. Realized prices in 2017 were impacted by the strengthening of prices for propane, butane and condensate resulting from the increase in crude oil prices and production cuts. The increased production in 2017 is primarily due to the Company's successful capital development program.

Natural gas sales increased 72 percent and 56 percent in the three and six months ended June 30, 2017, respectively, compared to the same periods in 2016, primarily due to the 76 percent and 62 percent respective increases in realized natural gas prices, partially offset by the 3 percent decrease in natural gas production, respectively. The increase in the realized natural gas price is largely due to the increase in the AECO daily benchmark price. The decreased natural gas production in 2017 is primarily due to the one month shut-in of the Company's gas production in Southern Alberta due to a turnaround at a third party gas plant.

*Exhibit 11*



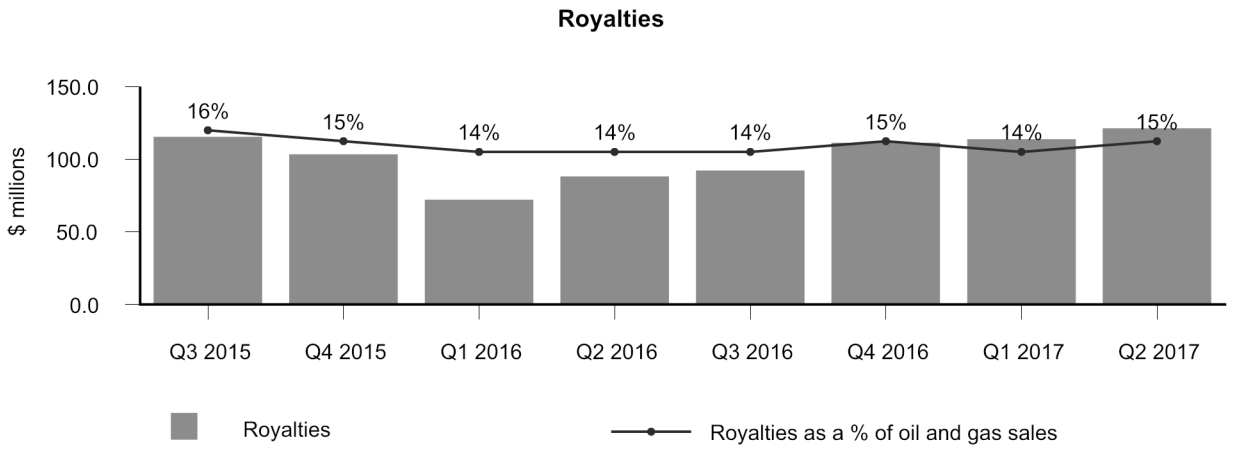

## Royalties

| ($ millions, except % and per boe amounts) | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Royalties | **121.2** | 88.2 | 37 | **234.9** | 160.3 | 47 |
| As a % of oil and gas sales | **15** | 14 | 1 | **14** | 14 | - |
| Per boe | **7.59** | 5.79 | 31 | **7.44** | 5.10 | 46 |

Royalties increased 37 percent and 47 percent in the three and six months ended June 30, 2017, respectively, compared to the same periods in 2016, largely due to the 26 percent and 40 percent increases in oil and gas sales, respectively. Royalties in the three months ended June 30, 2017 were also impacted by the 1 percent increase in royalties as a percentage of oil and gas sales.

Royalties as a percentage of oil and gas sales increased 1 percent for the three months ended June 30, 2017 primarily as a result of the impact of the increase in benchmark prices on crown royalty formulas in Canada. Royalties as a percentage of sales for the six months ended June 30, 2017 remained consistent with the same period in 2016.

*Exhibit 12*



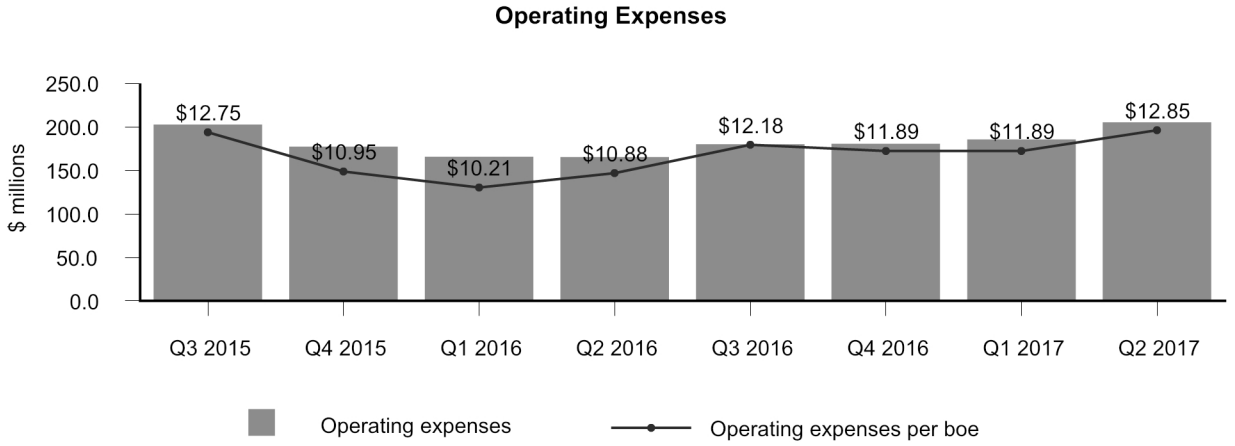

**Operating Expenses**

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions, except per boe amounts) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Operating expenses | **205.3** | 165.3 | 24 | **390.9** | 331.0 | 18 |
| Per boe | **12.85** | 10.88 | 18 | **12.38** | 10.53 | 18 |

Operating expenses per boe increased 18 percent in both the three and six months ended June 30, 2017 compared to the respective periods in 2016. The increases were primarily due to favorable prior period adjustments in the respective 2016 periods related to utility costs and property taxes, and unfavorable prior period adjustments in the respective 2017 periods related to processing fees. Maintenance activity levels in 2017 also increased compared to 2016 as the Company reduced activity levels in 2016 in response to weak commodity prices. In addition, expenses in 2017 were higher due to the increases in Saskatchewan power rates and provincial sales tax as a result of the Saskatchewan government's efforts to balance the provincial budget.

Operating expenses increased 24 percent and 18 percent in the three and six months ended June 30, 2017, respectively, compared to the respective periods in 2016, primarily due to the increases in per boe operating expenses as noted above. Operating expenses for the three months ended June 30, 2017 were also impacted by higher production volumes.

*Exhibit 13*



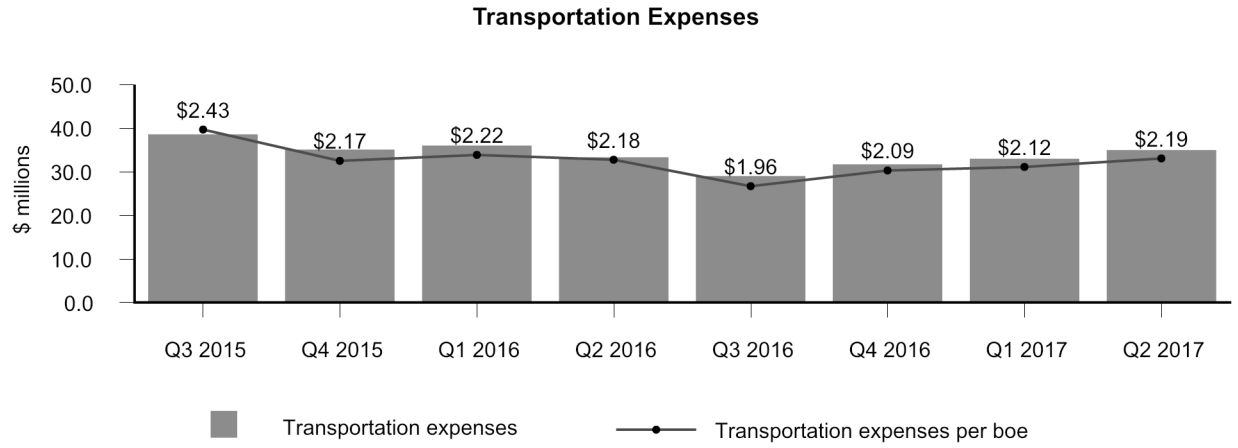
### Transportation Expenses

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions, except per boe amounts) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Transportation expenses | **35.0** | 33.3 | 5 | **68.0** | 69.3 | (2) |
| Per boe | **2.19** | 2.18 | - | **2.15** | 2.20 | (2) |

Transportation expenses per boe in the three months ended June 30, 2017 remained relatively consistent with the comparative 2016 period. Transportation expenses increased 5 percent in the three months ended June 30, 2017 compared to the same period in 2016 primarily due to higher production volumes.

Both transportation expense per boe and transportation expenses decreased 2 percent in the six months ended June 30, 2017, respectively, compared to the same period in 2016 primarily due to the decrease in pipeline tariff rates.

*Exhibit 14*




### Netbacks

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| | **2017** | 2016 | | **2017** | 2016 | |
| | **Total [1] ($/boe)** | Total [1] ($/boe) | % Change | **Total [1] ($/boe)** | Total [1] ($/boe) | % Change |
| Average selling price | **50.92** | 42.45 | 20 | **51.30** | 36.69 | 40 |
| Royalties | **(7.59)** | (5.79) | 31 | **(7.44)** | (5.10) | 46 |
| Operating expenses | **(12.85)** | (10.88) | 18 | **(12.38)** | (10.53) | 18 |
| Transportation expenses | **(2.19)** | (2.18) | - | **(2.15)** | (2.20) | (2) |
| Netback prior to realized derivatives | **28.29** | 23.60 | 20 | **29.33** | 18.86 | 56 |
| Realized gain on derivatives | **1.45** | 7.62 | (81) | **1.08** | 10.44 | (90) |
| Netback | **29.74** | 31.22 | (5) | **30.41** | 29.30 | 4 |

(1) The dominant production category for the Company's properties is crude oil. These properties include associated natural gas and NGL volumes, therefore, the total netback has been presented.

The Company's netback for the three months ended June 30, 2017 decreased 5 percent to $29.74 per boe from $31.22 per boe in the same period in 2016. The decrease in the Company's netback is primarily the result of the decrease in realized gain on derivatives and the increases in operating expenses and royalties, partially offset by the increase in average selling price largely due to the increase in the Cdn$ WTI benchmark price.

The Company's netback for the six months ended June 30, 2017 increased 4 percent to $30.41 per boe from $29.30 per boe in 2016. The increase in the Company's netback is primarily the result of the increase in average selling price largely due to the increase in the Cdn$ WTI benchmark price, partially offset by the decrease in realized gain on derivatives and the increases in royalties and operating expenses.

*Exhibit 15*

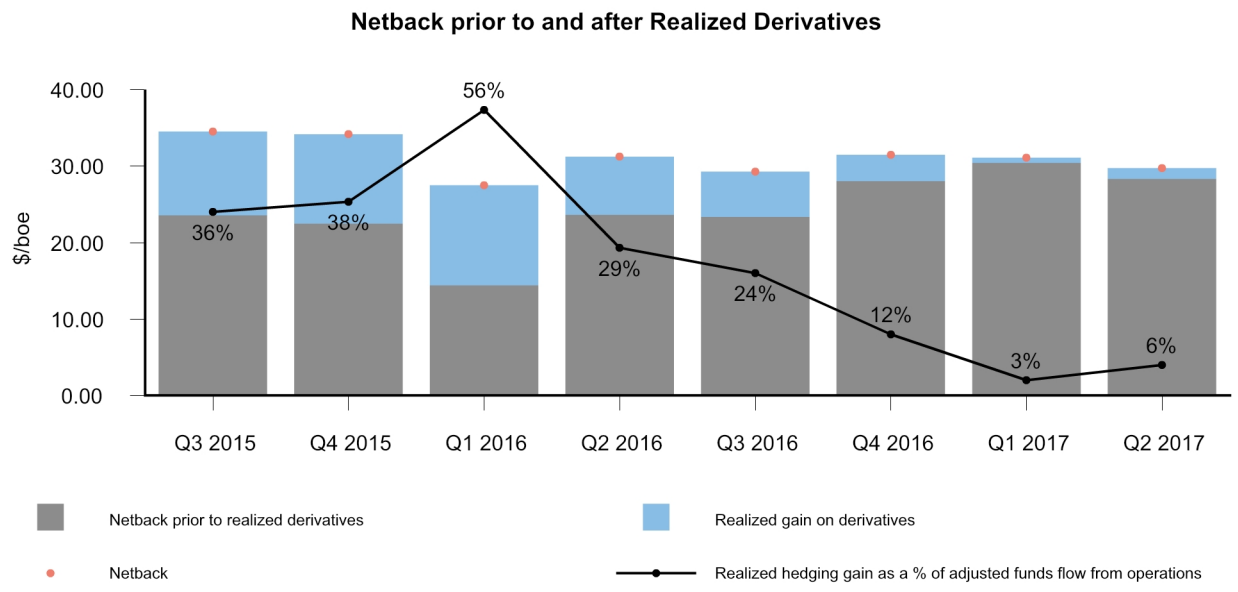



*Exhibit 16*

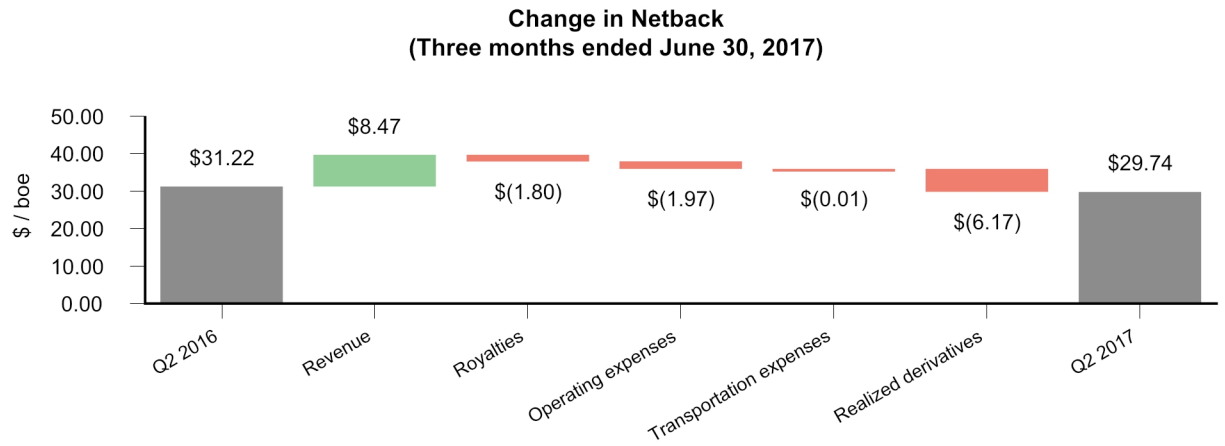
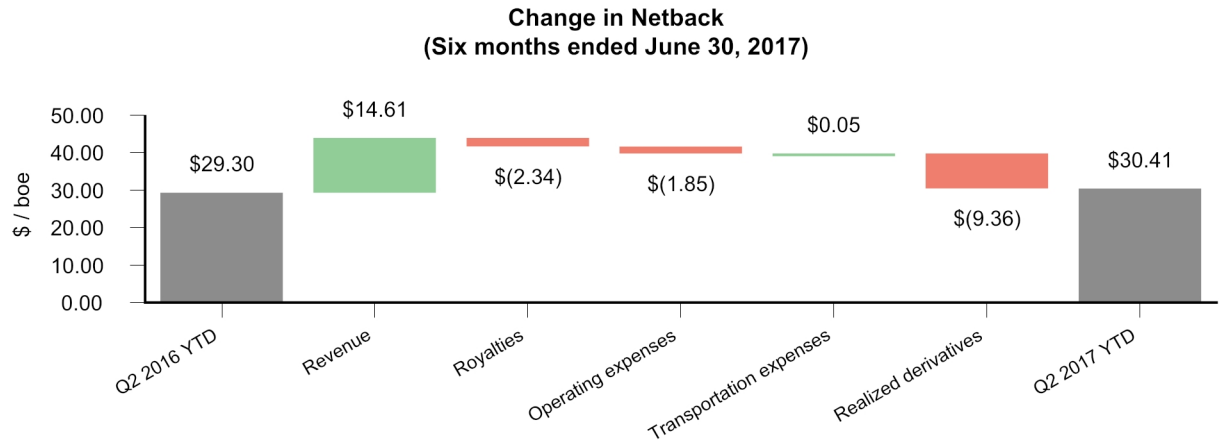



*Exhibit 17*



### General and Administrative Expenses

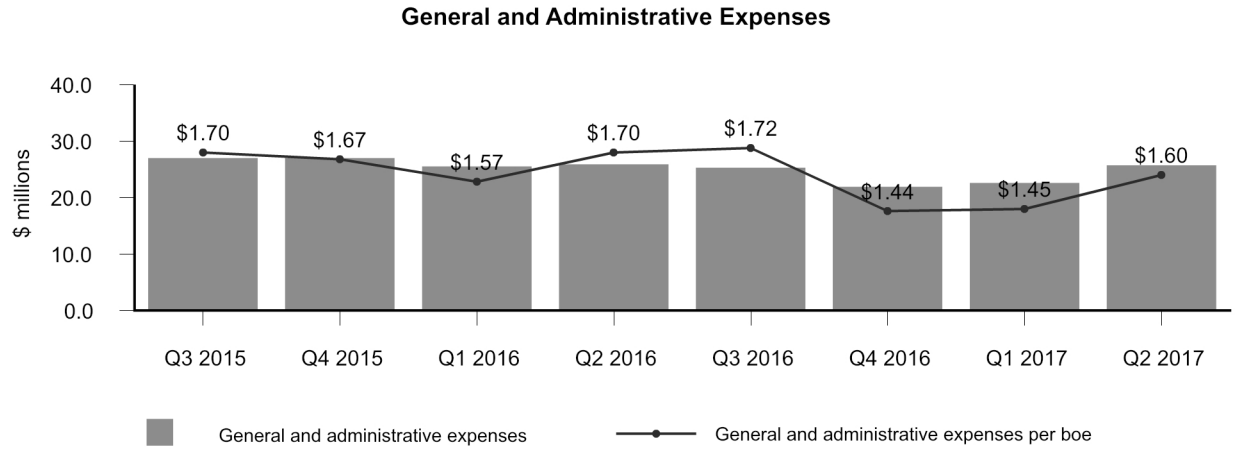
| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions, except per boe amounts) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| General and administrative costs | **37.4** | 34.6 | 8 | **70.5** | 69.4 | 2 |
| Capitalized | **(9.5)** | (8.4) | 13 | **(19.5)** | (17.4) | 12 |
| Total general and administrative expenses | **27.9** | 26.2 | 6 | **51.0** | 52.0 | (2) |
| Transaction costs | **(2.2)** | (0.3) | 633 | **(2.7)** | (0.6) | 350 |
| General and administrative expenses | **25.7** | 25.9 | (1) | **48.3** | 51.4 | (6) |
| Per boe | **1.60** | 1.70 | (6) | **1.53** | 1.63 | (6) |

General and administrative expenses remained relatively consistent in the three months ended June 30, 2017 compared to the same period in 2016. General and administrative expenses decreased 6 percent in the six months ended June 30, 2017 compared to the same period in 2016, primarily due to the increase in overhead recoveries from partners associated with higher capital spending and provisions for bad debts recognized in the first quarter of 2016, partially offset by a provision for certain onerous building lease contracts recognized in the second quarter of 2017.

General and administrative expenses per boe decreased 6 percent in the three and six months ended June 30, 2017 compared to the same periods in 2016. The decrease in the second quarter of 2017 is due to the increase in production volumes. The decrease in the six months ended June 30, 2017 is primarily due to the decrease in general and administrative expenses as noted above.

Transaction costs incurred in the three and six months ended June 30, 2017 relate primarily to minor property acquisitions and dispositions. Refer to the Capital Acquisitions section in this MD&A for further information.

*Exhibit 18*




### Interest Expense

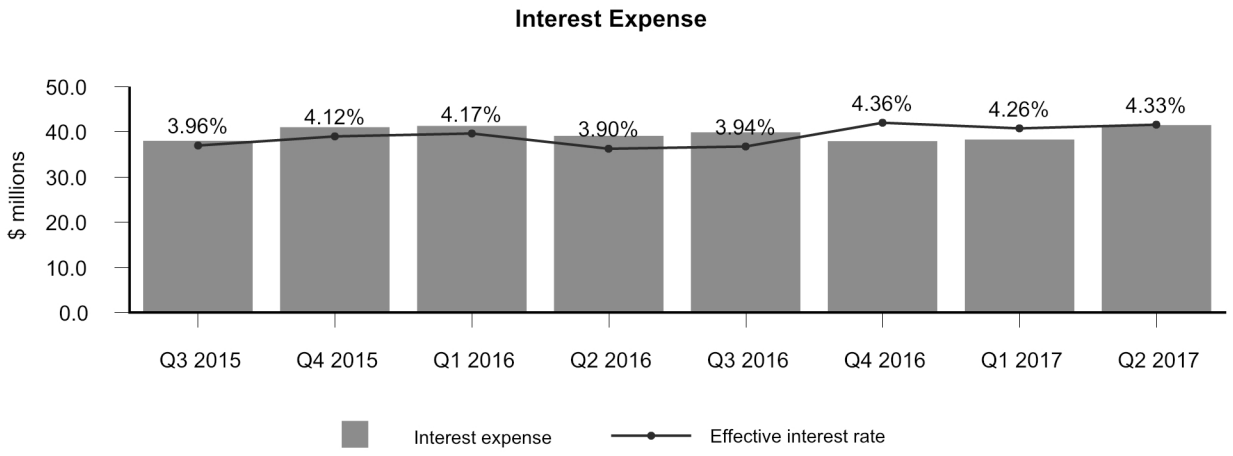
| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions, except per boe amounts) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Interest expense | **41.5** | 39.1 | 6 | **79.8** | 80.4 | (1) |
| Per boe | **2.60** | 2.57 | 1 | **2.53** | 2.56 | (1) |

In the three months ended June 30, 2017, interest expense per boe remained relatively consistent and interest expense increased 6 percent compared to the same period in 2016 due to the Company's higher effective interest rate, partially offset by a lower average debt balance. The Company's effective interest rate in the three months ended June 30, 2017 increased to 4.33 percent from 3.90 percent in the same period in 2016 primarily due to higher underlying rates on US dollar denominated LIBOR loans.

In the six months ended June 30, 2017, interest expense per boe and interest expense remained relatively consistent with the same period in 2016. The Company's effective interest rate in the six months ended June 30, 2017 increased to 4.30 percent from 4.04 percent in the same period in 2016 due to higher underlying rates on US dollar denominated LIBOR loans.

Crescent Point actively manages interest rate exposure through a combination of interest rate swaps and a debt portfolio including short-term floating rate bank debt and long-term fixed rate senior guaranteed notes. At June 30, 2017, 55 percent of the Company's long-term debt, including its US dollar senior guaranteed notes at the Canadian dollar economic amounts due at maturity, had fixed interest rates.

*Exhibit 19*




**Foreign Exchange Gain (Loss)**

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Realized gain (loss) | | | | | | |
| CCS - US dollar long-term debt maturities and interest payments | **22.4** | (27.1) | (183) | **24.7** | (5.7) | (533) |
| US dollar long-term debt maturities | **(16.1)** | 25.2 | (164) | **(15.7)** | 5.2 | (402) |
| Other | **3.5** | (3.1) | (213) | **4.3** | (4.3) | (200) |
| Unrealized gain | | | | | | |
| Translation of US dollar long-term debt | **111.2** | (44.0) | (353) | **134.1** | 197.6 | (32) |
| Other | **(1.6)** | 0.9 | (278) | **(1.4)** | 1.1 | (227) |
| Foreign exchange gain (loss) | **119.4** | (48.1) | (348) | **146.0** | 193.9 | (25) |

The Company has US dollar denominated debt, including LIBOR loans under its bank credit facilities and US dollar senior guaranteed notes. Concurrent with the drawdown of US$1.55 billion of LIBOR loans and the issuance of US$1.36 billion senior guaranteed notes, the Company entered into various CCS to hedge its foreign exchange exposure. Under the terms of the CCS, the US dollar amounts of the LIBOR loans and senior guaranteed notes were fixed for purposes of interest and principal repayments at notional amounts of $2.04 billion and $1.44 billion, respectively. Concurrent with the issuance of US$30.0 million senior guaranteed notes, the Company entered a foreign exchange swap which fixed the principal repayment at a notional amount of $32.2 million. The unrealized derivative gains and losses on the CCS and foreign exchange swap are recognized in derivative gains and losses. Refer to the Derivatives section in this MD&A for further information. During the three and six months ended June 30, 2017, the Company realized a net gain of $6.3 million and $9.0 million, respectively, on the maturity of US dollar long-term debt and the associated interest payments and CCS, compared to a net loss of $1.9 million and $0.5 million in the same periods in 2016.

The Company records unrealized foreign exchange gains or losses on the translation of the US dollar long-term debt and related accrued interest. During the three and six months ended June 30, 2017, the Company recorded an unrealized foreign exchange gain of $111.2 million and $134.1 million, respectively, on the translation of US dollar long-term debt and accrued interest compared to an unrealized loss of $44.0 million and an unrealized gain of $197.6 million, respectively, in the same periods in 2016. The unrealized foreign exchange gain from the translation of US dollar long-term debt and accrued interest for the second quarter of 2017 is attributable to a stronger Canadian dollar at June 30, 2017 as compared to March 31, 2017. The unrealized foreign exchange gain from the translation of US dollar long-term debt and accrued interest for the six months ended June 30, 2017 is attributable to a stronger Canadian dollar as at June 30, 2017 as compared to December 31, 2016.

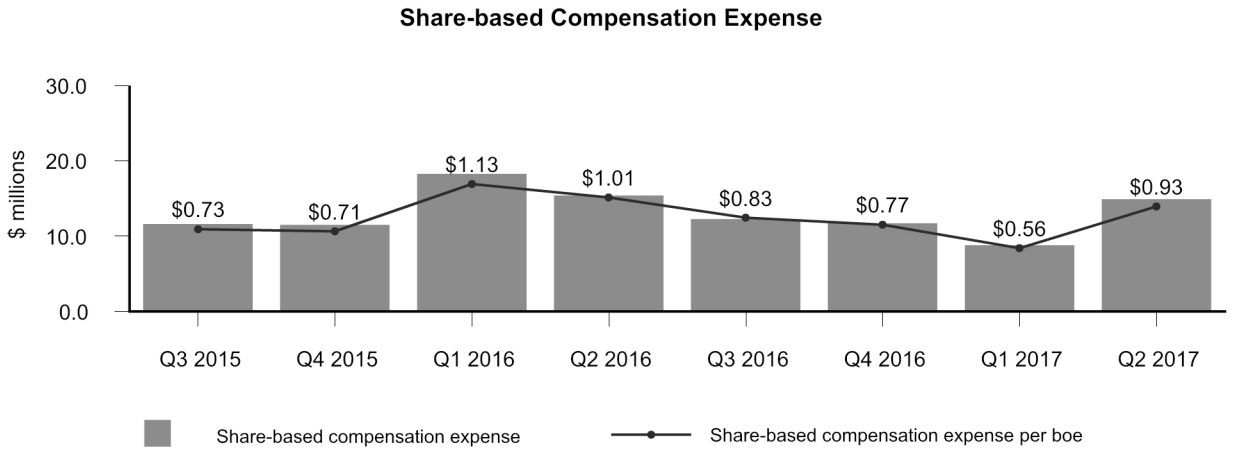
**Share-based Compensation Expense**

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions, except per boe amounts) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Share-based compensation costs | **17.8** | 19.6 | (9) | **29.1** | 41.7 | (30) |
| Capitalized | **(2.9)** | (4.2) | (31) | **(5.4)** | (8.0) | (33) |
| Share-based compensation expense | **14.9** | 15.4 | (3) | **23.7** | 33.7 | (30) |
| Per boe | **0.93** | 1.01 | (8) | **0.75** | 1.07 | (30) |

During the three and six months ended June 30, 2017, the Company recorded share-based compensation costs of $17.8 million and $29.1 million, respectively, decreases of 9 percent and 30 percent from the same periods in 2016, respectively. The decreases are primarily due to the decrease in expenses associated with incentive awards as a result of the decreases in the Company's share price and the number of incentive awards granted, partially offset by the increase in expenses associated with base compensation.

During the three and six months ended June 30, 2017, the Company capitalized share-based compensation costs of $2.9 million and $5.4 million, respectively, decreases of 31 percent and 33 percent from the same periods in 2016, respectively. The decreases are primarily due to the decrease in expenses associated with incentive related awards as a result of the decreases in the Company's share price and the number of incentive awards granted.

*Exhibit 20*




**Restricted Share Bonus Plan**

The Company has a Restricted Share Bonus Plan pursuant to which the Company may grant restricted shares to directors, officers, employees and consultants. The restricted shares vest on terms up to three years from the grant date as determined by the Board of Directors.

Under the Restricted Share Bonus Plan at June 30, 2017, the Company is authorized to issue up to 13,446,230 common shares (June 30, 2016 - 17,470,778 common shares). The Company had 4,071,740 restricted shares outstanding at June 30, 2017 (June 30, 2016 - 5,351,811 restricted shares outstanding).

As of the date of this report, the Company had 3,933,615 restricted shares outstanding.

**Performance Share Unit Plan**

In April 2017, the Company approved a Performance Share Unit ("PSU") plan for designated employees. The PSUs vest on terms up to three years from the grant date as determined by the Board of Directors. PSUs are accounted for at fair value. Share-based compensation expense is determined based on the estimated fair value of the PSUs on the date of the grant and subsequently adjusted to reflect the fair value at each period end. Fair value is based on the expected cash payment per PSU and the expected number of PSUs to vest, calculated from multipliers based on internal (production growth and drilling rate of return) and external (relative total shareholder return) performance metrics. The expense is recognized over the service period, with a corresponding increase to long-term compensation liability. PSUs are settled in cash upon vesting based on the prevailing Crescent Point share price, accrued dividends and the performance multipliers. The Company had 2,600,354 PSUs outstanding at June 30, 2017 (June 30, 2016 - nil PSUs outstanding).

As of the date of this report, the Company had 2,600,354 PSUs outstanding.

**Deferred Share Unit Plan**

The Company has a Deferred Share Unit (“DSU”) plan for directors. Each DSU vests on the date of the grant, however, the settlement of the DSU occurs following a change of control or when the individual ceases to be a director of the Company. Deferred Share Units are settled in cash based on the prevailing Crescent Point share price. The Company had 177,237 DSUs outstanding at June 30, 2017 (June 30, 2016 - 156,714 DSUs outstanding).

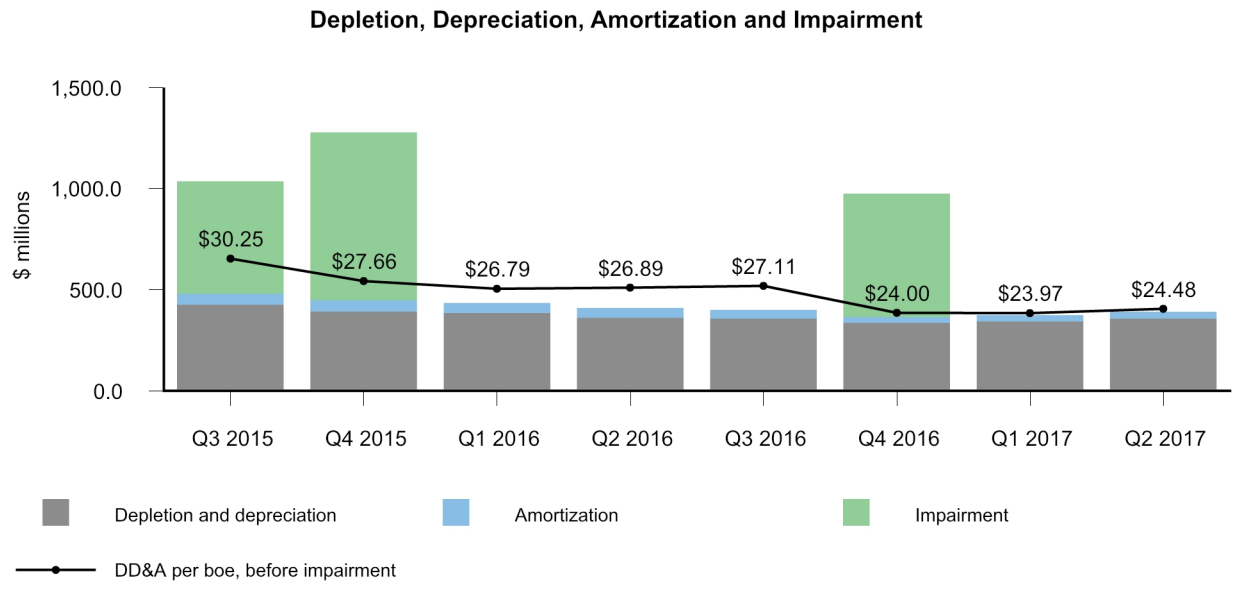
As of the date of this report, the Company had 182,250 DSUs outstanding.

### Depletion, Depreciation and Amortization

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions, except per boe amounts) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Depletion and depreciation | **356.5** | 360.2 | (1) | **699.4** | 744.4 | (6) |
| Amortization of E&E undeveloped land | **34.8** | 48.9 | (29) | **65.8** | 99.2 | (34) |
| Depletion, depreciation and amortization | **391.3** | 409.1 | (4) | **765.2** | 843.6 | (9) |
| Per boe | **24.48** | 26.89 | (9) | **24.23** | 26.84 | (10) |

The Company's depletion, depreciation and amortization ("DD&A") rate decreased 9 percent to $24.48 per boe for the three months ended June 30, 2017 from $26.89 per boe in the same period in 2016. In the six months ended June 30, 2017, the DD&A rate decreased 10 percent to $24.23 per boe from $26.84 per boe for the same 2016 period. These decreases are primarily due to net impairment expense of $611.4 million recorded during the year ended December 31, 2016, reduced future development costs, reserve additions and a reduction to the amortization of exploration and evaluation ("E&E") undeveloped land. The decrease in amortization of E&E undeveloped land relates to the regular transfers of land to property, plant and equipment ("PP&E") upon determination of reserves and the increasing balance of undeveloped land fully amortized over its average primary lease term.

*Exhibit 21*




### Other Income (Loss)

The Company recorded other losses of $3.4 million and $6.6 million in the three and six months ended June 30, 2017, respectively, compared to other income of $5.6 million and $7.7 million, respectively, in the same periods in 2016. These balances are comprised primarily of net unrealized gains or losses on long-term investments.

### Taxes

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Current tax expense | **-** | - | - | **-** | - | - |
| Deferred tax expense (recovery) | **10.1** | (75.6) | (113) | **36.7** | (123.7) | (130) |

#### Current Tax Expense

In the three and six months ended June 30, 2017 and 2016, the Company recorded current tax expense of nil. Refer to the Company's December 31, 2016 Annual Information Form for information on the Company's expected tax horizon.

**Deferred Tax Expense (Recovery)**

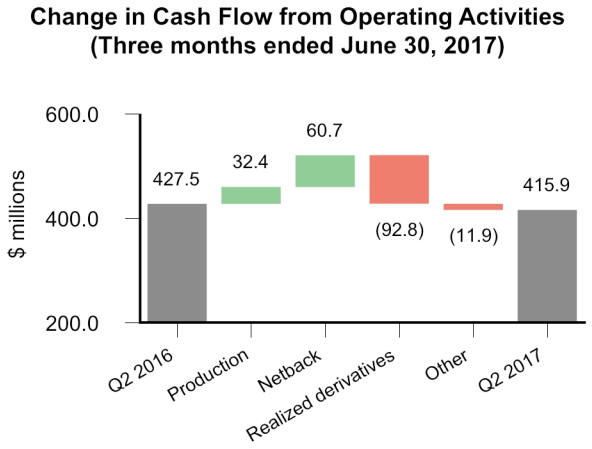
In the three and six months ended June 30, 2017, the Company recorded deferred tax expense of $10.1 million and $36.7 million, respectively, compared to deferred tax recoveries of $75.6 million and $123.7 million, respectively, in the same periods in 2016. The deferred tax expense is primarily due to the pre-tax income recorded in the three and six months ended June 30, 2017, partially offset by the benefit of the one percent decrease in the Saskatchewan corporate income tax rate. The Saskatchewan corporate income tax rate decreased from 12 percent to 11.5 percent on July 1, 2017 and will further decrease to 11 percent on July 1, 2019. The deferred tax recoveries in the three and six months ended June 30, 2016 relate primarily to the $308.9 million and $390.4 million, respectively, of unrealized derivative losses on oil and gas derivatives.

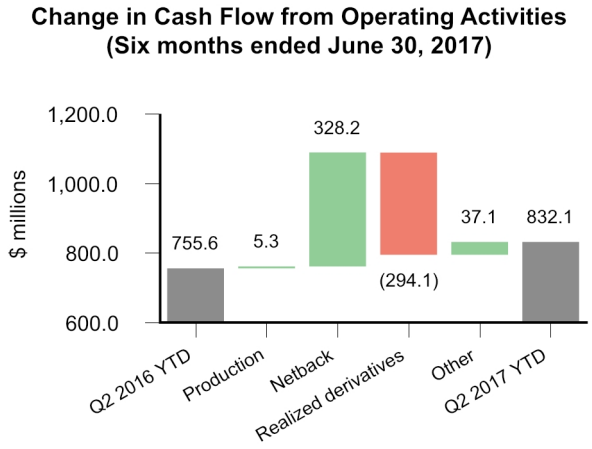
**Cash Flow from Operating Activities, Adjusted Funds Flow from Operations, Net Income (Loss) and Adjusted Net Earnings from Operations**

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions, except per share amounts) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Cash flow from operating activities | **415.9** | 427.5 | (3) | **832.1** | 755.6 | 10 |
| Adjusted funds flow from operations | **418.0** | 404.4 | 3 | **845.1** | 782.4 | 8 |
| Net income (loss) | **83.6** | (226.1) | (137) | **203.0** | (313.6) | (165) |
| Net income (loss) per share - diluted | **0.15** | (0.45) | (133) | **0.37** | (0.62) | (160) |
| Adjusted net earnings from operations | **39.5** | 15.1 | 162 | **101.4** | 9.9 | 924 |
| Adjusted net earnings from operations per share - diluted | **0.07** | 0.03 | 133 | **0.19** | 0.02 | 850 |

Cash flow from operating activities decreased 3 percent to $415.9 million in the second quarter of 2017 compared to $427.5 million in the same period in 2016, due to the changes in adjusted funds flow from operations ("adjusted FFO") and fluctuations in working capital, transaction costs and decommissioning expenditures. In the six months ended June 30, 2017, cash flow from operating activities increased 10 percent to $832.1 million compared to $755.6 million in the same period in 2016, due to the changes in adjusted funds flow from operations and fluctuations in working capital, transaction costs and decommissioning expenditures.

*Exhibit 22*

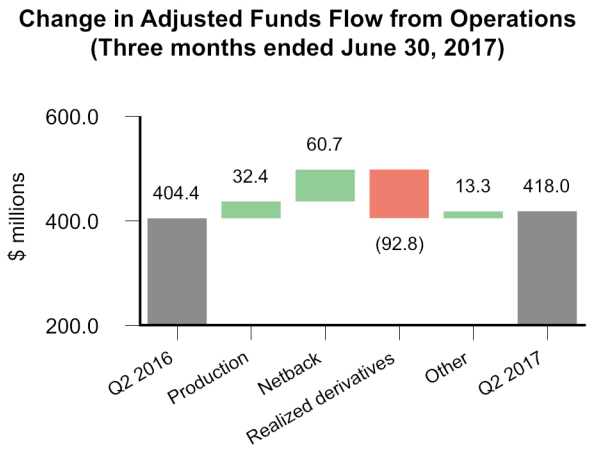


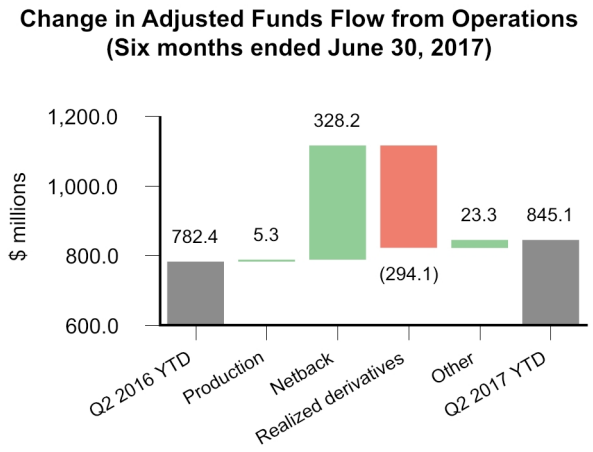




Adjusted funds flow from operations increased to $418.0 million in the second quarter of 2017 from $404.4 million in the same period in 2016. The increase is primarily the result of the increase in the Cdn$ WTI benchmark price and production volumes, partially offset by the decrease in realized hedging gains and the increases in operating expenses and royalties.

Adjusted funds flow from operations increased to $845.1 million in the six months ended June 30, 2017 from $782.4 million in the same period in 2016. The increase is primarily the result of the increase in the Cdn$ WTI benchmark price, partially offset by the decrease in realized hedging gains and the increases in royalties and operating expenses.

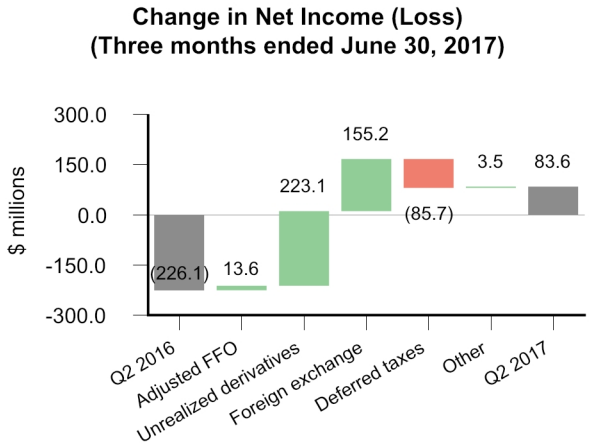
*Exhibit 23*

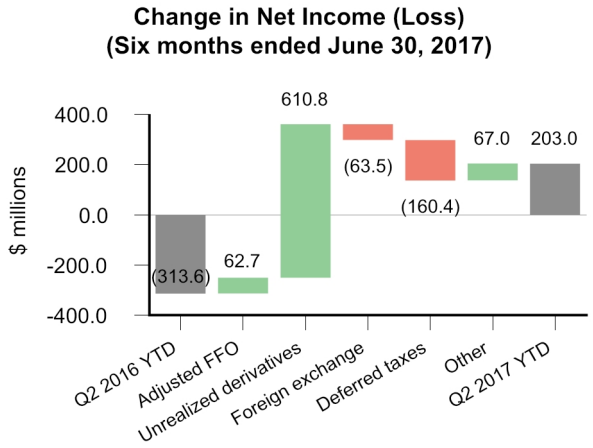



The Company reported net income of $83.6 million in the second quarter of 2017 compared to a net loss of $226.1 million in the same period in 2016, primarily as a result of the decreases in unrealized derivative losses and depletion, depreciation and amortization expense, the foreign exchange gain on long-term debt and the increase in adjusted funds flow from operations, partially offset by the fluctuations in deferred taxes. In the six month period ended June 30, 2017, the Company reported net income of $203.0 million compared to a net loss of $313.6 million in the same period in 2016, primarily as a result of the unrealized derivative gain, the decrease in depletion, depreciation and amortization expense and the increase in adjusted funds flow from operations, partially offset by the decrease in foreign exchange gain on long-term debt and fluctuations in deferred taxes.

*Exhibit 24*




The Company reported adjusted net earnings from operations of $39.5 million in the second quarter of 2017 compared to $15.1 million in the same period in 2016, primarily as a result of the increase in adjusted funds flow from operations and fluctuations in deferred taxes. Adjusted net earnings from operations per share - diluted increased 133 percent to $0.07 per share - diluted in the second quarter of 2017 primarily due to the same reasons discussed above and the impact of shares issued through the September 2016 equity offering.

Adjusted net earnings for the six month period ended June 30, 2017 was $101.4 million compared to $9.9 million in the same period in 2016, primarily as a result of the increase in adjusted funds flow from operations and the decreases in depletion and share-based compensation expense. Adjusted net earnings from operations per share - diluted increased 850 percent to $0.19 per share - diluted in the six months ended June 30, 2017 primarily due to the same reasons discussed above and the impact of shares issued through the September 2016 equity offering.

As noted in the Derivatives section, the Company has not designated any of its risk management activities as accounting hedges under IFRS 9, *Financial Instruments*, and, accordingly, has recorded its derivatives at fair value with changes in fair value recorded in net income.

Crescent Point uses financial commodity derivatives, including swaps, collars and put options, to reduce the volatility of the selling price of its crude oil and natural gas production. This provides a measure of stability to the Company's cash flow and the ability to fund dividends over time. The Company's commodity derivatives portfolio can extend out over 3½ years from the current quarter.

IFRS 9*, Financial Instruments*, gives guidelines for accounting for financial derivatives not designated as accounting hedges. Financial derivatives that have not settled during the current quarter are fair valued. The change in fair value from the previous quarter represents a gain or loss that is recorded in net income. As such, if benchmark oil and natural gas prices rise during the quarter, the Company records a loss based on the change in price multiplied by the volume of oil and natural gas hedged. If prices fall during the quarter, the Company records a gain. The prices used to record the actual gain or loss are subject to an adjustment for volatility and the resulting gain (asset) or loss (liability) is discounted to a present value using a risk free rate adjusted for counterparty credit risk.

Crescent Point's underlying physical reserves are not fair valued each quarter, hence no gain or loss associated with price changes is recorded; the Company realizes the benefit/detriment of any price increase/decrease in the period in which the physical sales occur.

The Company's financial results should be viewed with the understanding that the estimated future gain or loss on financial derivatives is recorded in the current period's results, while the estimated future value of the underlying physical sales is not.

**Dividends**

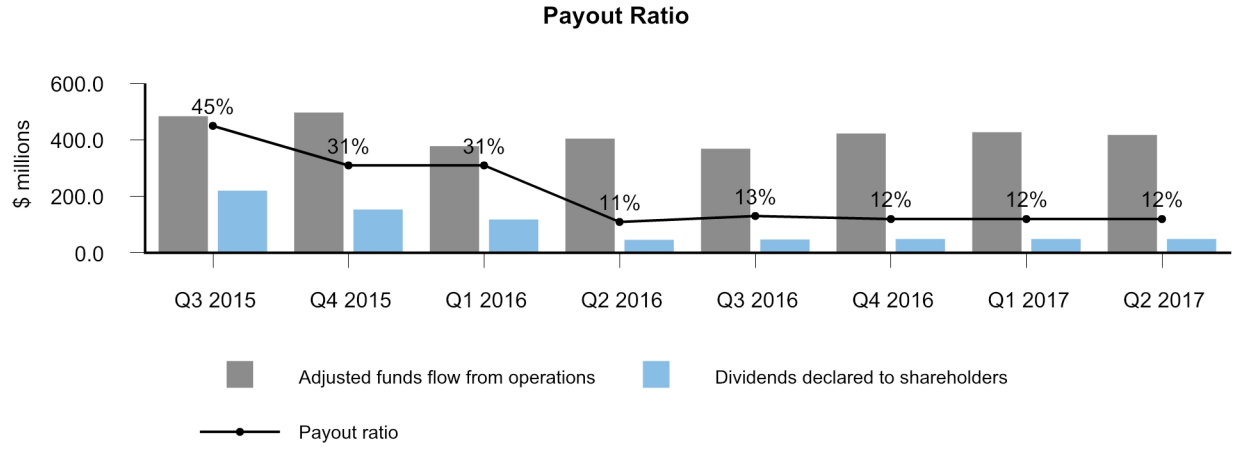
The following table provides a reconciliation of dividends:

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions, except per share amounts) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Accumulated dividends, beginning of period | **7,260.3** | 7,068.5 | 3 | **7,210.9** | 6,950.6 | 4 |
| Dividends declared to shareholders | **49.4** | 46.0 | 7 | **98.8** | 163.9 | (40) |
| Accumulated dividends, end of period | **7,309.7** | 7,114.5 | 3 | **7,309.7** | 7,114.5 | 3 |
| | | | | | | |
| Accumulated dividends per share, beginning of period | **31.53** | 31.17 | 1 | **31.44** | 30.94 | 2 |
| Dividends declared to shareholders per share | **0.09** | 0.09 | - | **0.18** | 0.32 | (44) |
| Accumulated dividends per share, end of period | **31.62** | 31.26 | 1 | **31.62** | 31.26 | 1 |

Dividends increased 7 percent in the three months ended June 30, 2017 compared to the same period in 2016 due to the increase in the number of shares outstanding primarily due to the bought deal financing which closed in September 2016.

Dividends decreased 40 percent in the six months ended June 30, 2017 compared to the same period in 2016. The decrease in dividends relates primarily to the reduction in the dividends declared to shareholders to $0.18 per share in the six months ended June 30, 2017 from $0.32 per share in the same period in 2016.

*Exhibit 25*




## Long-Term Investments

### Public Companies

The Company holds common shares in publicly traded oil and gas companies. The investments are classified as financial assets at fair value through profit or loss and are fair valued with the resulting gain or loss recorded in net income. At June 30, 2017, the investments are recorded at a fair value of $21.7 million which is $11.1 million more than the original cost of the investments.

**Private Company**

The Company holds common shares in a private oil and gas company. The investment is classified as financial assets at fair value through profit or loss and is fair valued with the resulting gain or loss recorded in net income. At June 30, 2017, the investment is recorded at a fair value of $7.5 million which is $17.5 million less than the original cost of the investment.

## Other Long-Term Assets

At June 30, 2017, other long-term assets consist of $16.3 million related to the reclamation fund and $14.0 million of investment tax credits.

The reclamation fund decreased by $2.6 million during the second quarter of 2017 due to $8.2 million of decommissioning and environmental expenditures, partially offset by contributions of $5.6 million. The expenditures related primarily to decommissioning work completed in Alberta, Saskatchewan and the United States.

## Related Party Transactions

All related party transactions are recorded at the exchange amount.

During the three and six months ended June 30, 2017, Crescent Point recorded $2.8 million and $6.2 million, respectively, (June 30, 2016 - $0.3 million and $3.5 million, respectively) of expenditures in the normal course of business to an oilfield services company of which a director of Crescent Point is a director and officer. The oilfield services company is one of only a few specialized service providers in their area of expertise with capacity and geographical presence to meet the Company's needs. The service company was selected, along with a few other key vendors, to provide goods and services as part of a comprehensive and competitive request for proposal process with key factors of its success including the unique nature of proprietary products, the ability to service specific geographic regions, proven safety performance and competitive pricing.

## Capital Expenditures

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Capital acquisitions (net) [1] | **33.0** | (0.3) | (11,100) | **170.5** | 8.3 | 1,954 |
| Development capital expenditures | **294.6** | 80.2 | 267 | **826.7** | 402.0 | 106 |
| Capitalized administration [2] | **9.5** | 8.4 | 13 | **19.5** | 17.4 | 12 |
| Office equipment | **1.2** | 0.6 | 100 | **1.8** | 0.1 | 1,700 |
| Total | **338.3** | 88.9 | 281 | **1,018.5** | 427.8 | 138 |

(1) Capital acquisitions represent total consideration for the transactions including net debt and excludes transaction costs.

(2) Capitalized administration excludes capitalized share-based compensation.

## Capital Acquisitions

**Minor Property Acquisitions and Dispositions**

Crescent Point completed minor property acquisitions and dispositions during the six months ended June 30, 2017 ($45.7 million was allocated to PP&E and $116.0 million was allocated to E&E assets, including $8.8 million related to net disposed decommissioning liability). These minor property acquisitions and dispositions were completed with full tax pools and no working capital items.

## Development Capital Expenditures

The Company's development capital expenditures in the second quarter of 2017 were $294.6 million compared to $80.2 million in the same period in 2016. In the second quarter of 2017, 85 (66.8 net) wells were drilled with a success rate of 100 percent. The development capital for the three months ended June 30, 2017 included $64.4 million on facilities, land and seismic.

The Company's development capital expenditures for the six months ended June 30, 2017 were $826.7 million compared to $402.0 million in the same period in 2016. In the first half of 2017, 371 (326.5 net) wells were drilled with a success rate of 100 percent. The development capital for the six months ended June 30, 2017 included $131.0 million on facilities, land and seismic.

Crescent Point's budgeted capital program for 2017 is $1.45 billion, before net land and property acquisitions.

## Goodwill

The Company's goodwill balance as at June 30, 2017 was $251.9 million which is unchanged from December 31, 2016. The goodwill balance is attributable to the corporate acquisitions completed during the period 2003 through 2012.

## Other Current Liabilities

At June 30, 2017, other current liabilities consist of $0.7 million related to the current portion of long-term compensation liability related to the PSU plan and $24.7 million related to decommissioning liability.

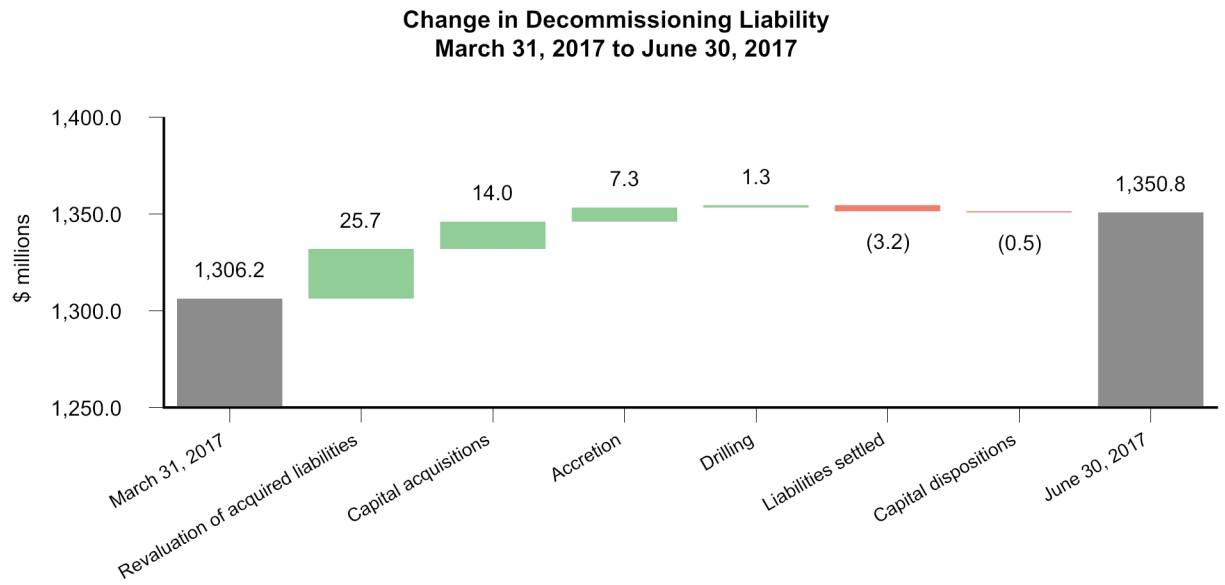
## Other Long-Term Liabilities

At June 30, 2017, other long-term liabilities consist of $41.8 million related to a lease inducement, $9.3 million related to the estimated unrecoverable portion of building leases and $2.6 million of long-term compensation liability related to the PSU and DSU plans. The Company's lease inducement is associated with the building lease for Crescent Point's corporate office. This non-cash liability is amortized on a straight-line basis over the term of the lease to June 2030.

## Decommissioning Liability

The decommissioning liability increased by $44.6 million during the second quarter of 2017 from $1.31 billion at March 31, 2017 to $1.35 billion at June 30, 2017. The increase relates to $25.7 million due to changes in estimates pertaining to discount rates including acquired liabilities, $14.0 million as a result of capital acquisitions, $7.3 million of accretion expense and $1.3 million in respect of drilling, partially offset by $3.2 million for liabilities settled and $0.5 million as a result of capital dispositions.

*Exhibit 26*




## Liquidity and Capital Resources

| **Capitalization Table**<br>($ millions, except share, per share, ratio and percent amounts) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Net debt | **3,963.4** | 3,673.4 |
| Shares outstanding | **544,961,813** | 541,742,592 |
| Market price at end of period (per share) | **9.92** | 18.25 |
| Market capitalization | **5,406.0** | 9,886.8 |
| Enterprise value | **9,369.4** | 13,560.2 |
| Net debt as a percentage of enterprise value | **42** | 27 |
| Adjusted funds flow from operations (1) | **1,635.2** | 1,572.5 |
| Net debt to adjusted funds flow from operations (2) | **2.4** | 2.3 |

(1) The sum of adjusted funds flow from operations for the trailing four quarters.

(2) Net debt reflects the financing of acquisitions, however, the adjusted funds flow from operations only reflects adjusted funds flow from operations generated from the acquired properties since the closing date of the acquisitions.

At June 30, 2017, Crescent Point's enterprise value was $9.4 billion and the Company was capitalized with 58 percent equity compared to $13.6 billion and 73 percent at December 31, 2016, respectively. The Company's net debt to adjusted funds flow from operations ratio at June 30, 2017 increased slightly to 2.4 times, compared to 2.3 times at December 31, 2016, largely due to the increase in net debt as a result of the timing of the Company's capital expenditures. Crescent Point's objective is to manage net debt to adjusted funds flow from operations to be well positioned to maximize shareholder return with long-term growth plus dividend income.

*Exhibit 27*

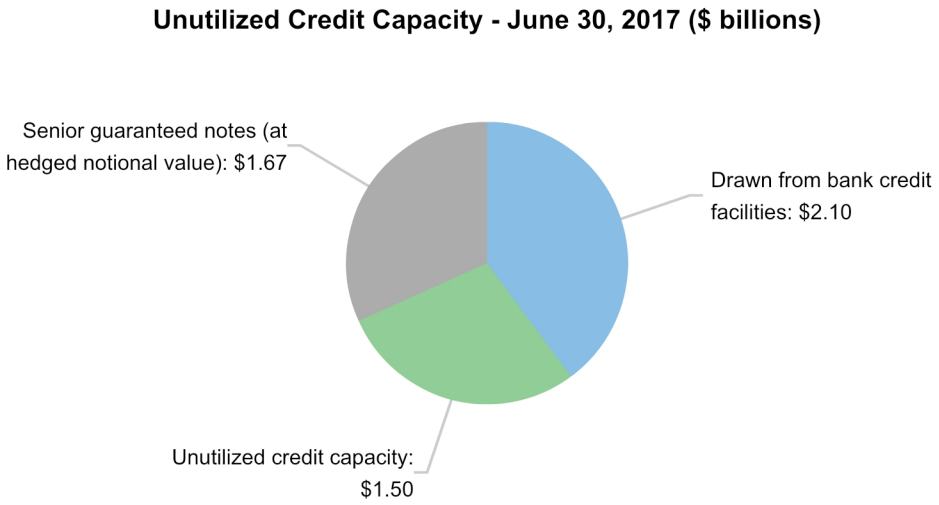
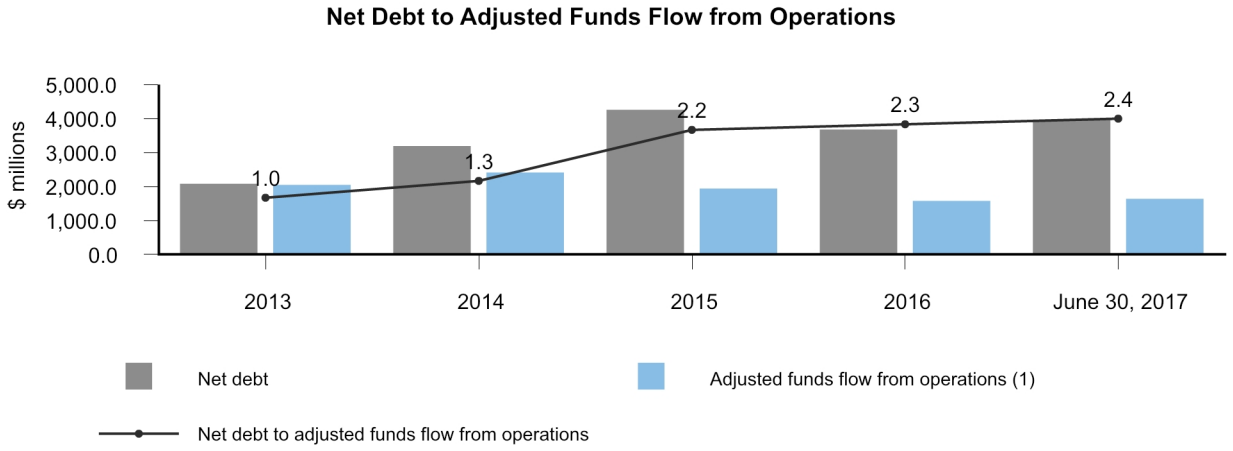



*Exhibit 28*




(1) The sum of adjusted funds flow from operations for the trailing four quarters.

The Company has combined credit facilities of $3.6 billion, including a $3.5 billion syndicated unsecured credit facility with fourteen banks and a $100.0 million unsecured operating credit facility with one Canadian chartered bank. The syndicated unsecured credit facility also includes an accordion feature that allows the Company to increase the facility by up to $500.0 million under certain conditions. The current maturity date of the syndicated unsecured credit facility and the unsecured operating credit facility is June 10, 2020. Both of these facilities constitute revolving credit facilities and are extendible annually. As at June 30, 2017, the Company had approximately $2.10 billion drawn on bank credit facilities, including $6.0 million outstanding pursuant to letters of credit, leaving unutilized borrowing capacity of approximately $1.50 billion.

The Company has private offerings of senior guaranteed notes raising total gross proceeds of US$1.39 billion and Cdn$197.0 million. The notes are unsecured and rank pari passu with the Company's bank credit facilities and carry a bullet repayment on maturity. Crescent Point entered into various CCS and foreign exchange swaps to hedge its foreign exchange exposure on its US dollar long-term debt.

The Company is in compliance with all debt covenants at June 30, 2017 which are listed in the table below:

| Covenant Description | Maximum Ratio | June 30, 2017 |
|---|---|---|
| Senior debt to adjusted EBITDA [(1) (2)] | 3.5 | **2.3** |
| Total debt to adjusted EBITDA [(1) (3)] | 4.0 | **2.3** |
| Senior debt to capital [(2) (4)] | 0.55 | **0.31** |

(1) Adjusted EBITDA is calculated as earnings before interest, taxes, depletion, depreciation, amortization and impairment, adjusted for certain non-cash items. Adjusted EBITDA is calculated on a trailing twelve month basis adjusted for material acquisitions and dispositions.

(2) Senior debt is calculated as the sum of amounts drawn on the combined facilities, outstanding letters of credit and the principal amount of the senior guaranteed notes.

(3) Total debt is calculated as the sum of senior debt plus subordinated debt. Crescent Point does not have any subordinated debt.

(4) Capital is calculated as the sum of senior debt and shareholder's equity and excludes the effect of unrealized derivative gains or losses.

Crescent Point's development capital budget for 2017 is $1.45 billion, with upwardly revised average 2017 production forecast at 174,500 boe/d.

The Company expects to finance its working capital deficiency and its ongoing working capital requirements through cash, adjusted funds flow from operations and its bank credit facilities.

Crescent Point's management believes that with the high quality reserve base and development inventory, solid hedging program and significant liquidity and financial flexibility, the Company is well positioned to execute its business strategy. The Company remains committed to maintaining a strong financial position while continuing to maximize shareholder return through its total return strategy of long-term growth plus dividend income.

## Shareholders' Equity

At June 30, 2017, Crescent Point had 545.0 million common shares issued and outstanding compared to 541.7 million common shares at December 31, 2016. The increase of 3.3 million shares relates to shares issued pursuant to the Restricted Share Bonus Plan.

As of the date of this report, the Company had 545,450,549 common shares outstanding.

## Critical Accounting Estimates

There have been no changes in Crescent Point's critical accounting estimates in the six months ended June 30, 2017. Further information on the Company's critical accounting policies and estimates can be found in the notes to the annual consolidated financial statements and MD&A for the year ended December 31, 2016.

## Changes in Accounting Policies

In future accounting periods, the Company will adopt the following IFRS:

- IFRS 15 *Revenue from Contracts with Customers* - IFRS 15 was issued in May 2014 and replaces IAS 18 *Revenue*, IAS 11 *Construction Contracts* and related interpretations. The standard is required to be adopted either retrospectively or using a modified transaction approach. In September 2015, the IASB amended IFRS 15, deferring the effective date of the standard by one year to annual periods beginning on or after January 1, 2018 with early adoption still permitted. IFRS 15 will be adopted by the Company on January 1, 2018. The Company is currently reviewing the terms of its sales contracts with customers to determine the impact, if any, that the standard will have on the consolidated financial statements.
- IFRS 9 *Financial Instruments* - IFRS 9 was amended in July 2014 to include guidance to assess and recognize impairment losses on financial assets based on an expected loss model. The amendments are effective for fiscal years beginning on or after January 1, 2018 with earlier adoption permitted. This amendment will be adopted by the Company on January 1, 2018 and the Company is currently evaluating the impact of the amendment on the consolidated financial statements and does not expect the amendment to have a material impact on the valuation of its financial assets.
- IFRS 16 *Leases* - IFRS 16 was issued January 2016 and replaces IAS 17 *Leases.* The standard introduces a single lessee accounting model for leases with required recognition of assets and liabilities for most leases. The standard is effective for fiscal years beginning on or after January 1, 2019 with early adoption permitted if the Company is also applying IFRS 15 *Revenue from Contracts with Customers*. IFRS 16 will be adopted by the Company on January 1, 2019 and the Company is currently reviewing contracts that are currently identified as leases and expects that the standard will have a material impact on the consolidated financial statements.

## Summary of Quarterly Results

| | 2017 | | 2016 | | | | 2015 | |
|---|---|---|---|---|---|---|---|---|
| ($ millions, except per share amounts) | **Q2** | Q1 | Q4 | Q3 | Q2 | Q1 | Q4 | Q3 |
| Oil and gas sales | **813.7** | 806.5 | 749.1 | 645.9 | 645.9 | 507.6 | 680.1 | 730.3 |
| Average daily production | | | | | | | | |
| Crude oil (bbls/d) | **140,878** | 139,303 | 130,386 | 125,713 | 132,730 | 143,971 | 142,750 | 143,582 |
| NGLs (bbls/d) | **17,658** | 17,061 | 18,083 | 17,750 | 16,870 | 16,775 | 15,253 | 11,455 |
| Natural gas (mcf/d) | **102,471** | 101,791 | 99,765 | 102,883 | 105,709 | 104,972 | 108,631 | 105,249 |
| Total (boe/d) | **175,615** | 173,329 | 165,097 | 160,610 | 167,218 | 178,241 | 176,108 | 172,579 |
| Net income (loss) | **83.6** | 119.4 | (510.6) | (108.5) | (226.1) | (87.5) | (382.4) | (201.3) |
| Net income (loss) per share | **0.15** | 0.22 | (0.94) | (0.21) | (0.45) | (0.17) | (0.76) | (0.40) |
| Net income (loss) per share – diluted | **0.15** | 0.22 | (0.94) | (0.21) | (0.45) | (0.17) | (0.76) | (0.40) |
| Adjusted net earnings (loss) from operations | **39.5** | 61.9 | 100.6 | (22.0) | 15.1 | (5.2) | 258.0 | 15.3 |
| Adjusted net earnings (loss) from operations per share | **0.07** | 0.11 | 0.19 | (0.04) | 0.03 | (0.01) | 0.51 | 0.03 |
| Adjusted net earnings (loss) from operations per share – diluted | **0.07** | 0.11 | 0.18 | (0.04) | 0.03 | (0.01) | 0.51 | 0.03 |
| Cash flow from operating activities | **415.9** | 416.2 | 438.5 | 330.2 | 427.5 | 328.1 | 519.5 | 547.0 |
| Adjusted funds flow from operations | **418.0** | 427.1 | 422.0 | 368.1 | 404.4 | 378.0 | 496.7 | 483.5 |
| Adjusted working capital (deficiency) (1) | **(168.3)** | (199.0) | (273.3) | (194.2) | (155.8) | (178.3) | (342.8) | (231.2) |
| Total assets | **16,419.2** | 16,568.8 | 16,163.6 | 16,771.9 | 16,610.9 | 17,179.5 | 17,616.0 | 18,117.7 |
| Total liabilities | **6,777.0** | 6,910.7 | 6,572.4 | 6,679.1 | 7,043.0 | 7,365.3 | 7,491.0 | 7,533.8 |
| Net debt | **3,963.4** | 3,984.7 | 3,673.4 | 3,617.2 | 4,038.7 | 4,322.4 | 4,263.6 | 4,197.9 |
| Total long-term derivative liabilities | **-** | - | 3.0 | 2.7 | 3.8 | 2.5 | 0.3 | 0.3 |
| Weighted average shares – diluted (millions) | **546.1** | 546.2 | 544.5 | 514.0 | 509.1 | 507.6 | 505.8 | 502.0 |
| Capital expenditures (2) | **338.3** | 680.2 | 429.8 | 542.3 | 88.9 | 338.9 | 386.1 | 576.7 |
| Dividends declared | **49.4** | 49.4 | 49.2 | 47.2 | 46.0 | 117.9 | 152.8 | 219.7 |
| Dividends declared per share | **0.09** | 0.09 | 0.09 | 0.09 | 0.09 | 0.23 | 0.30 | 0.43 |

(1) Adjusted working capital deficiency is calculated as accounts payable and accrued liabilities plus dividends payable, less cash, accounts receivable, prepaids and deposits and long-term investments.

(2) Capital expenditures exclude capitalized share-based compensation and capitalized non-cash lease inducement and include capital acquisitions. Capital acquisitions represent total consideration for the transactions including long-term debt and working capital assumed, and excludes transaction costs.

Over the past eight quarters, the Company's oil and gas sales have fluctuated due to changes in production, movement in the Cdn$ WTI benchmark price and fluctuations in corporate oil price differentials. The Company's production has fluctuated due to its successful capital development program, several business combinations and natural declines.

Net income has fluctuated primarily due to changes in adjusted funds flow from operations, unrealized derivative gains and losses, which fluctuate with the changes in forward market prices, net impairments to PP&E recorded in the fourth quarter of 2016 and impairments to PP&E recorded in the third and fourth quarters of 2015, along with associated fluctuations in the deferred tax expense (recovery).

Adjusted net earnings from operations has fluctuated over the past eight quarters primarily due to changes in adjusted funds flow from operations, depletion and share-based compensation expense along with associated fluctuations in the deferred tax expense (recovery).

Capital expenditures fluctuated through this period as a result of timing of acquisitions and the Company's capital development program. Adjusted funds flow from operations and cash flow from operating activities throughout the last eight quarters has allowed the Company to pay monthly dividends.

## Internal Control Update

Crescent Point is required to comply with Multilateral Instrument 52-109 “Certification of Disclosure on Issuers' Annual and Interim Filings”. The certificate requires that Crescent Point disclose in the interim MD&A any weaknesses in Crescent Point's internal control over financial reporting that occurred during the period that have materially affected, or are reasonably likely to materially affect Crescent Point's internal controls over financial reporting. Crescent Point confirms that no such weaknesses were identified in the Company's internal controls over financial reporting during the second quarter of 2017.

## Outlook

Crescent Point's guidance for 2017 is as follows:

| Production | Prior | Revised |
|---|---|---|
| Oil and NGLs (bbls/d) | 154,000 | 157,500 |
| Natural gas (mcf/d) | 108,000 | 102,000 |
| Total (boe/d) | 172,000 | 174,500 |
| Capital expenditures [1] | | |
| Drilling and completions ($ millions) | 1,290.0 | 1,290.0 |
| Facilities and seismic ($ millions) | 160.0 | 160.0 |
| Total ($ millions) | 1,450.0 | 1,450.0 |

(1) The projection of capital expenditures excludes property and land acquisitions, which are separately considered and evaluated.

Additional information relating to Crescent Point, including the Company's December 31, 2016 Annual Information Form, is available on SEDAR at www.sedar.com and on EDGAR at www.sec.gov/edgar.shtml.

## Non-GAAP Financial Measures

Throughout this MD&A, the Company uses the terms “adjusted funds flow from operations”, “adjusted net earnings from operations”, “adjusted net earnings from operations per share”, “adjusted net earnings from operations per share - diluted”, “net debt”, “netback”, "payout ratio", “market capitalization” and “enterprise value”. These terms do not have any standardized meaning as prescribed by IFRS and, therefore, may not be comparable with the calculation of similar measures presented by other issuers.

Adjusted funds flow from operations is calculated based on cash flow from operating activities before changes in non-cash working capital, transaction costs and decommissioning expenditures. Transaction costs are excluded as they vary based on the Company's acquisition activity and to ensure that this metric is more comparable between periods. Decommissioning expenditures are excluded as the Company has a voluntary reclamation fund to fund decommissioning costs. Management utilizes adjusted funds flow from operations as a key measure to assess the ability of the Company to finance dividends, operating activities, capital expenditures and debt repayments. Adjusted funds flow from operations as presented is not intended to represent cash flow from operating activities, net earnings or other measures of financial performance calculated in accordance with IFRS. The Company previously referred to adjusted funds flow from operations as "funds flow from operations".

The following table reconciles cash flow from operating activities to adjusted funds flow from operations:

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Cash flow from operating activities | **415.9** | 427.5 | (3) | **832.1** | 755.6 | 10 |
| Changes in non-cash working capital | **(3.3)** | (25.8) | (87) | **(1.7)** | 19.5 | (109) |
| Transaction costs | **2.2** | 0.3 | 633 | **2.7** | 0.6 | 350 |
| Decommissioning expenditures | **3.2** | 2.4 | 33 | **12.0** | 6.7 | 79 |
| Adjusted funds flow from operations | **418.0** | 404.4 | 3 | **845.1** | 782.4 | 8 |

Adjusted net earnings from operations is calculated based on net income before amortization of E&E undeveloped land, impairment or impairment recoveries on PP&E, unrealized derivative gains or losses, unrealized foreign exchange gain or loss on translation of hedged US dollar long-term debt, unrealized gains or losses on long-term investments and gains or losses on capital acquisitions and dispositions. Adjusted net earnings from operations per share and adjusted net earnings from operations per share - diluted are calculated as adjusted net earnings from operations divided by the number of weighted average basic and diluted shares outstanding, respectively. Management utilizes adjusted net earnings from operations to present a measure of financial performance that is more comparable between periods. Adjusted net earnings from operations as presented is not intended to represent net earnings or other measures of financial performance calculated in accordance with IFRS.

The following table reconciles net income to adjusted net earnings from operations:

| | Three months ended June 30 | | | Six months ended June 30 | | |
|---|---|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | % Change | **2017** | 2016 | % Change |
| Net income (loss) | **83.6** | (226.1) | (137) | **203.0** | (313.6) | (165) |
| Amortization of E&E undeveloped land | **34.8** | 48.9 | (29) | **65.8** | 99.2 | (34) |
| Unrealized derivative (gains) losses | **14.7** | 237.8 | (94) | **(74.4)** | 536.4 | (114) |
| Unrealized foreign exchange (gain) loss on translation of hedged US dollar long-term debt | **(111.2)** | 50.3 | (321) | **(134.1)** | (180.2) | (26) |
| Unrealized (gain) loss on long-term investments | **3.4** | (2.8) | (221) | **6.6** | (4.9) | (235) |
| Deferred tax relating to adjustments | **14.2** | (93.0) | (115) | **34.5** | (127.0) | (127) |
| Adjusted net earnings from operations | **39.5** | 15.1 | 162 | **101.4** | 9.9 | 924 |

Net debt is calculated as long-term debt plus accounts payable and accrued liabilities and dividends payable, less cash, accounts receivable, prepaids and deposits and long-term investments, excluding the unrealized foreign exchange on translation of US dollar long-term debt. Management utilizes net debt as a key measure to assess the liquidity of the Company.

The following table reconciles long-term debt to net debt:

| ($ millions) | **June 30, 2017** | December 31, 2016 | % Change |
|---|---|---|---|
| Long-term debt [1] | **4,081.6** | 3,820.7 | 7 |
| Accounts payable and accrued liabilities | **539.2** | 647.2 | (17) |
| Dividends payable | **16.6** | 16.3 | 2 |
| Cash | **(55.6)** | (13.4) | 315 |
| Accounts receivable | **(294.5)** | (335.7) | (12) |
| Prepaids and deposits | **(8.2)** | (5.3) | 55 |
| Long-term investments | **(29.2)** | (35.8) | (18) |
| Excludes: | | | |
| Unrealized foreign exchange on translation of US dollar long-term debt | **(286.5)** | (420.6) | (32) |
| Net debt | **3,963.4** | 3,673.4 | 8 |

(1) Includes current portion of long-term debt.

Netback is calculated on a per boe basis as oil and gas sales, less royalties, operating and transportation expenses and realized derivative gains and losses. Netback is a common metric used in the oil and gas industry and is used by management to measure operating results on a per boe basis to better analyze performance against prior periods on a comparable basis. The calculation of netback is shown in the Results of Operations section in this MD&A.

Payout ratio is calculated on a percentage basis as dividends declared divided by adjusted funds flow from operations. Payout ratio is used by management to monitor the dividend policy and the amount of adjusted funds flow from operations retained by the Company for capital reinvestment.

Market capitalization is calculated by applying the period end closing share trading price to the number of shares outstanding. Market capitalization is an indication of enterprise value.

Enterprise value is calculated as market capitalization plus net debt. Management uses enterprise value to assess the valuation of the Company. Refer to the Liquidity and Capital Resources section in this MD&A for further information.

Management believes the presentation of the Non-GAAP measures above provide useful information to investors and shareholders as the measures provide increased transparency and the ability to better analyze performance against prior periods on a comparable basis.

## Forward-Looking Information

Certain statements contained in this management's discussion and analysis constitute forward-looking statements and are based on Crescent Point's beliefs and assumptions based on information available at the time the assumption was made. By its nature, such forward-looking information involves known and unknown risks, uncertainties and other factors that may cause actual results or events to differ materially from those anticipated in such forward-looking statements. The Company believes the expectations reflected in those forward-looking statements are reasonable but no assurance can be given that these expectations will prove to be correct and such forward-looking statements should not be unduly relied upon. These statements are effective only as of the date of this report.

Any “financial outlook” or “future oriented financial information” in this management’s discussion and analysis, as defined by applicable securities legislation, has been approved by management of Crescent Point. Such financial outlook or future oriented financial information is provided for the purpose of providing information about management’s current expectations and plans relating to the future. Readers are cautioned that reliance on such information may not be appropriate for other purposes.

Certain statements contained in this report, including statements related to Crescent Point's capital expenditures, projected asset growth, view and outlook toward future commodity prices, drilling activity and statements that contain words such as "could", "should", "can", "anticipate", "expect", "believe", "will", "may", “projected”, “sustain”, “continues”, “strategy”, “potential”, “projects”, “grow”, “take advantage”, “estimate”, “well positioned” and similar expressions and statements relating to matters that are not historical facts constitute "forward-looking information" within the meaning of applicable Canadian securities legislation. The material assumptions and factors in making these forward-looking statements are disclosed in this MD&A under the headings "Derivatives", “Liquidity and Capital Resources”, “Changes in Accounting Policies” and “Outlook”.

In particular, forward-looking statements include:

- Crescent Point's approach to proactively manage the risk exposure inherent in movements in the price of crude oil, natural gas and power, fluctuations in the US/Cdn dollar exchange rate and interest rates movements through the use of derivatives with investment-grade counterparties;
- Crescent Point's budgeted capital program for 2017 (before net land and property acquisitions);
- Crescent Point’s 2017 production and capital expenditure guidance as outlined in the Outlook section;
- Management's belief that the Company is well positioned to execute its business strategy;
- The Company's commitment to maintain a strong financial position while continuing to maximize shareholder return through its total return strategy of long-term growth plus dividend income;
- The Company's objective to manage net debt to adjusted funds flow from operations to be well positioned to maximize shareholder return with long-term growth plus dividend income;
- How the Company expects to finance its working capital deficiency and ongoing working capital requirements; and
- Expected adoption of new accounting policies.

This information contains certain forward-looking estimates that involve substantial known and unknown risks and uncertainties, certain of which are beyond Crescent Point's control. Such risks and uncertainties include, but are not limited to: financial risk of marketing reserves at an acceptable price given market conditions; volatility in market prices for oil and natural gas; delays in business operations, pipeline restrictions, blowouts; the risk of carrying out operations with minimal environmental impact; industry conditions including changes in laws and regulations including the adoption of new environmental laws and regulations and changes in how they are interpreted and enforced; uncertainties associated with estimating oil and natural gas reserves; risks and uncertainties related to oil and gas interests and operations on tribal lands; economic risk of finding and producing reserves at a reasonable cost; uncertainties associated with partner plans and approvals; operational matters related to non-operated properties; increased competition for, among other things, capital, acquisitions of reserves and undeveloped lands; competition for and availability of qualified personnel or management; incorrect assessments of the value of acquisitions and exploration and development programs; unexpected geological, technical, drilling, construction, processing and transportation problems; availability of insurance; fluctuations in foreign exchange and interest rates; stock market volatility; general economic, market and business conditions; uncertainties associated with regulatory approvals; uncertainty of government policy changes; uncertainties associated with credit facilities and counterparty credit risk; changes in income tax laws, tax laws, crown royalty rates and incentive programs relating to the oil and gas industry; and other factors, many of which are outside the control of the Company. Therefore, Crescent Point's actual results, performance or achievement could differ materially from those expressed in, or implied by, these forward-looking estimates and if such actual results, performance or achievements transpire or occur, or if any of them do so, there can be no certainty as to what benefits or detriments Crescent Point will derive therefrom.

Barrels of oil equivalent (“boe”) may be misleading, particularly if used in isolation. A boe conversion ratio of 6 Mcf : 1 Bbl is based on an energy equivalency conversion method primarily applicable at the burner tip and does not represent a value equivalency at the wellhead. Given that the value ratio based on the current price of crude oil as compared to natural gas is significantly different from the energy equivalency of oil, utilizing a conversion on a 6:1 basis may be misleading as an indication of value.

**Directors**

Peter Bannister, Chairman [3] [4]

Rene Amirault [4]

Laura Cillis [1] [2]

Hugh Gillard [5]

Ted Goldthorpe [1] [5]

Robert Heinemann [2] [3] [4]

Mike Jackson [1] [2]

Barbara Munroe [2] [5]

Gerald Romanzin [1] [3]

Scott Saxberg [4]

[1] Member of the Audit Committee of the Board of Directors

[2] Member of the Compensation Committee of the Board of Directors

[3] Member of the Reserves Committee of the Board of Directors

[4] Member of the Environmental, Health & Safety Committee of the Board of Directors

[5] Member of the Corporate Governance and Nominating Committee

**Officers**

Scott Saxberg
President and Chief Executive Officer

Ken Lamont
Chief Financial Officer

Neil Smith
Chief Operating Officer

Derek Christie
Sr. Vice President, Exploration and Geosciences

Tamara MacDonald
Sr. Vice President, Corporate and Business Development

Brad Borggard
Vice President, Corporate Planning and Investor Relations

Mark Eade
Vice President, General Counsel and Corporate Secretary

Ryan Gritzfeldt
Vice President, Marketing and Innovation

Steve Toews
Vice President, Engineering and Operations

**Head Office**

Suite 2000, 585 - 8th Avenue S.W.
Calgary, Alberta T2P 1G1
Tel: (403) 693-0020
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Toll Free: (888) 693-0020

**Banker**

The Bank of Nova Scotia
Calgary, Alberta

**Auditor**

PricewaterhouseCoopers LLP
Calgary, Alberta

**Legal Counsel**

Norton Rose Fulbright Canada LLP
Calgary, Alberta

**Evaluation Engineers**

GLJ Petroleum Consultants Ltd.
Calgary, Alberta

Sproule Associates Ltd.
Calgary, Alberta

**Registrar and Transfer Agent**

Investors are encouraged to contact Crescent Point's Registrar and Transfer Agent for information regarding their security holdings:

Computershare Trust Company of Canada
600, 530 - 8th Avenue S.W.
Calgary, Alberta T2P 3S8
Tel: (403) 267-6800

**Stock Exchanges**

Toronto Stock Exchange - TSX
New York Stock Exchange - NYSE

**Stock Symbol**

CPG

**Investor Contacts**

Scott Saxberg
President and Chief Executive Officer
(403) 693-0020

Ken Lamont
Chief Financial Officer
(403) 693-0020

Brad Borggard
Vice President, Corporate Planning and Investor Relations
(403) 693-0020

## CONSOLIDATED BALANCE SHEETS

| (UNAUDITED) (Cdn$ millions) | Notes | As at June 30, 2017 | As at December 31, 2016 |
|---|---|---|---|
| **ASSETS** | | | |
| Cash | | **55.6** | 13.4 |
| Accounts receivable | | **294.5** | 335.7 |
| Prepaids and deposits | | **8.2** | 5.3 |
| Derivative asset | 22 | **147.0** | 49.1 |
| Total current assets | | **505.3** | 403.5 |
| Long-term investments | 4 | **29.2** | 35.8 |
| Derivative asset | 22 | **287.8** | 340.3 |
| Other long-term assets | 5 | **30.3** | 36.7 |
| Exploration and evaluation | 6, 7 | **597.6** | 498.1 |
| Property, plant and equipment | 7, 8 | **14,299.5** | 14,174.9 |
| Goodwill | 9 | **251.9** | 251.9 |
| Deferred income tax | | **417.6** | 422.4 |
| Total assets | | **16,419.2** | 16,163.6 |
| **LIABILITIES** | | | |
| Accounts payable and accrued liabilities | | **539.2** | 647.2 |
| Dividends payable | | **16.6** | 16.3 |
| Current portion of long-term debt | 11 | **66.2** | 90.6 |
| Derivative liability | 22 | **38.7** | 64.7 |
| Other current liabilities | 10, 13 | **25.4** | 23.7 |
| Total current liabilities | | **686.1** | 842.5 |
| Long-term debt | 11 | **4,015.4** | 3,730.1 |
| Derivative liability | 22 | **-** | 3.0 |
| Other long-term liabilities | 12, 20 | **53.7** | 54.6 |
| Decommissioning liability | 13 | **1,326.1** | 1,290.7 |
| Deferred income tax | | **695.7** | 651.5 |
| Total liabilities | | **6,777.0** | 6,572.4 |
| **SHAREHOLDERS' EQUITY** | | | |
| Shareholders' capital | 14 | **16,465.3** | 16,400.2 |
| Contributed surplus | | **72.2** | 110.6 |
| Deficit | 15 | **(7,325.9)** | (7,432.1) |
| Accumulated other comprehensive income | | **430.6** | 512.5 |
| Total shareholders' equity | | **9,642.2** | 9,591.2 |
| Total liabilities and shareholders' equity | | **16,419.2** | 16,163.6 |

See accompanying notes to the consolidated financial statements.

## CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

| (UNAUDITED) (Cdn$ millions, except per share amounts) | Notes | Three months ended June 30 **2017** | 2016 | Six months ended June 30 **2017** | 2016 |
|---|---|---|---|---|---|
| **REVENUE AND OTHER INCOME** | | | | | |
| Oil and gas sales | | **813.7** | 645.9 | **1,620.2** | 1,153.5 |
| Royalties | | **(121.2)** | (88.2) | **(234.9)** | (160.3) |
| Oil and gas revenue | | **692.5** | 557.7 | **1,385.3** | 993.2 |
| Derivative gains (losses) | 17, 22 | **8.5** | (121.8) | **108.4** | (208.3) |
| Other income (loss) | 18 | **(3.4)** | 5.6 | **(6.6)** | 7.7 |
| | | **697.6** | 441.5 | **1,487.1** | 792.6 |
| **EXPENSES** | | | | | |
| Operating | | **205.3** | 165.3 | **390.9** | 331.0 |
| Transportation | | **35.0** | 33.3 | **68.0** | 69.3 |
| General and administrative | | **27.9** | 26.2 | **51.0** | 52.0 |
| Interest on long-term debt | | **41.5** | 39.1 | **79.8** | 80.4 |
| Foreign exchange (gain) loss | 19 | **(119.4)** | 48.1 | **(146.0)** | (193.9) |
| Share-based compensation | 20 | **14.9** | 15.4 | **23.7** | 33.7 |
| Depletion, depreciation and amortization | 6, 8 | **391.3** | 409.1 | **765.2** | 843.6 |
| Accretion | 12, 13 | **7.4** | 6.7 | **14.8** | 13.8 |
| | | **603.9** | 743.2 | **1,247.4** | 1,229.9 |
| Net income (loss) before tax | | **93.7** | (301.7) | **239.7** | (437.3) |
| Tax expense (recovery) | | | | | |
| Current | | **-** | - | **-** | - |
| Deferred | | **10.1** | (75.6) | **36.7** | (123.7) |
| **Net income (loss)** | | **83.6** | (226.1) | **203.0** | (313.6) |
| Other comprehensive income (loss) | | | | | |
| Items that may be subsequently reclassified to profit or loss | | | | | |
| Foreign currency translation of foreign operations | | **(66.9)** | 6.9 | **(81.9)** | (119.7) |
| **Comprehensive income (loss)** | | **16.7** | (219.2) | **121.1** | (433.3) |
| **Net income (loss) per share** | 21 | | | | |
| Basic | | **0.15** | (0.45) | **0.37** | (0.62) |
| Diluted | | **0.15** | (0.45) | **0.37** | (0.62) |

See accompanying notes to the consolidated financial statements.

## CONSOLIDATED STATEMENTS OF CHANGES IN SHAREHOLDERS' EQUITY

| (UNAUDITED)<br>(Cdn$ millions, except per share amounts) | Notes | Shareholders' capital | Contributed surplus | Deficit | Accumulated other comprehensive income | Total shareholders' equity |
|---|---|---|---|---|---|---|
| December 31, 2016 | | **16,400.2** | **110.6** | **(7,432.1)** | **512.5** | **9,591.2** |
| Redemption of restricted shares | 14 | **65.3** | **(67.4)** | **2.0** | | **(0.1)** |
| Share issue costs, net of tax | | **(0.2)** | | | | **(0.2)** |
| Share-based compensation | 20 | | **33.0** | | | **33.0** |
| Forfeit of restricted shares | 20 | | **(4.0)** | | | **(4.0)** |
| Net income | | | | **203.0** | | **203.0** |
| Dividends ($0.18 per share) | | | | **(98.8)** | | **(98.8)** |
| Foreign currency translation adjustment | | | | | **(81.9)** | **(81.9)** |
| **June 30, 2017** | | **16,465.3** | **72.2** | **(7,325.9)** | **430.6** | **9,642.2** |
| | | | | | | |
| December 31, 2015 | | 15,693.2 | 99.3 | (6,239.3) | 571.8 | 10,125.0 |
| Redemption of restricted shares | | 35.6 | (36.3) | | | (0.7) |
| Share issue costs, net of tax | | (0.2) | | | | (0.2) |
| Share-based compensation | | | 43.0 | | | 43.0 |
| Forfeit of restricted shares | | | (2.0) | | | (2.0) |
| Net income (loss) | | | | (313.6) | | (313.6) |
| Dividends ($0.32 per share) | | | | (163.9) | | (163.9) |
| Foreign currency translation adjustment | | | | | (119.7) | (119.7) |
| June 30, 2016 | | 15,728.6 | 104.0 | (6,716.8) | 452.1 | 9,567.9 |

See accompanying notes to the consolidated financial statements.

## CONSOLIDATED STATEMENTS OF CASH FLOWS

| (UNAUDITED) (Cdn$ millions) | Notes | Three months ended June 30 **2017** | 2016 | Six months ended June 30 **2017** | 2016 |
|---|---|---|---|---|---|
| **CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES** | | | | | |
| Net income (loss) | | **83.6** | (226.1) | **203.0** | (313.6) |
| Items not affecting cash | | | | | |
| Other (income) loss | 18 | **3.4** | (5.6) | **6.6** | (7.7) |
| Deferred tax expense (recovery) | | **10.1** | (75.6) | **36.7** | (123.7) |
| Share-based compensation | 20 | **14.8** | 15.4 | **23.6** | 33.7 |
| Depletion, depreciation and amortization | 6, 8 | **391.3** | 409.1 | **765.2** | 843.6 |
| Accretion | 12, 13 | **7.4** | 6.7 | **14.8** | 13.8 |
| Unrealized (gains) losses on derivatives | 17, 22 | **14.7** | 237.8 | **(74.4)** | 536.4 |
| Translation of US dollar long-term debt | 19 | **(95.1)** | 15.0 | **(118.4)** | (206.6) |
| Other | 24 | **1.7** | (1.6) | **1.0** | (3.1) |
| Realized (gain) loss on cross currency swap maturity | 19 | **(16.1)** | 29.0 | **(15.7)** | 9.0 |
| Decommissioning expenditures | | **(3.2)** | (2.4) | **(12.0)** | (6.7) |
| Change in non-cash working capital | 24 | **3.3** | 25.8 | **1.7** | (19.5) |
| | | **415.9** | 427.5 | **832.1** | 755.6 |
| **INVESTING ACTIVITIES** | | | | | |
| Development capital and other expenditures | | **(305.3)** | (89.2) | **(848.0)** | (419.5) |
| Capital acquisitions | 7 | **(126.6)** | (14.3) | **(267.9)** | (24.5) |
| Capital dispositions | 7 | **93.6** | (0.1) | **97.4** | 1.5 |
| Reclamation fund | 5 | **2.6** | 3.2 | **6.4** | 14.0 |
| Change in non-cash working capital | 24 | **(66.7)** | (49.8) | **(70.5)** | (127.3) |
| | | **(402.4)** | (150.2) | **(1,082.6)** | (555.8) |
| **FINANCING ACTIVITIES** | | | | | |
| Issue of shares, net of issue costs | | **(0.2)** | (0.3) | **(2.4)** | (1.0) |
| Increase (decrease) in bank debt, net | | **(7.2)** | (157.9) | **469.1** | 54.6 |
| Repayment of senior guaranteed notes | | **-** | (66.7) | **(90.3)** | (66.7) |
| Realized gain (loss) on cross currency swap maturity | 19 | **16.1** | (29.0) | **15.7** | (9.0) |
| Cash dividends | | **(49.4)** | (46.0) | **(98.8)** | (163.9) |
| Change in non-cash working capital | 24 | **0.1** | - | **0.3** | (35.3) |
| | | **(40.6)** | (299.9) | **293.6** | (221.3) |
| Impact of foreign currency on cash balances | | **(3.1)** | 1.7 | **(0.9)** | 1.0 |
| **INCREASE (DECREASE) IN CASH** | | **(30.2)** | (20.9) | **42.2** | (20.5) |
| **CASH AT BEGINNING OF PERIOD** | | **85.8** | 25.1 | **13.4** | 24.7 |
| **CASH AT END OF PERIOD** | | **55.6** | 4.2 | **55.6** | 4.2 |

See accompanying notes to the consolidated financial statements.

**Supplementary Information:**

| | | | | |
|---|---|---|---|---|
| Cash taxes paid | **-** | - | **(0.1)** | (0.1) |
| Cash interest paid | **(64.4)** | (52.8) | **(85.5)** | (78.6) |

# NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

June 30, 2017 (UNAUDITED)

## 1. STRUCTURE OF THE BUSINESS

The principal undertaking of Crescent Point Energy Corp. (the “Company” or “Crescent Point”) is to carry on the business of acquiring, developing and holding interests in petroleum and natural gas properties and assets related thereto through a general partnership and wholly owned subsidiaries.

Crescent Point is the ultimate parent and is amalgamated in Alberta, Canada under the Alberta Business Corporations Act. The address of the principal place of business is 2000, 585 - 8th Ave S.W., Calgary, Alberta, Canada, T2P 1G1.

These interim consolidated financial statements were approved and authorized for issue by the Company's Board of Directors on July 26, 2017.

## 2. BASIS OF PREPARATION

These interim consolidated financial statements are presented under International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”). These interim consolidated financial statements have been prepared in accordance with IFRS applicable to the preparation of interim consolidated financial statements, including International Accounting Standard (“IAS”) 34, Interim Financial Reporting, and have been prepared following the same accounting policies as the annual consolidated financial statements for the year ended December 31, 2016. Certain information and disclosures included in the notes to the annual consolidated financial statements are condensed herein or are disclosed on an annual basis only. Accordingly, these interim consolidated financial statements should be read in conjunction with the annual consolidated financial statements for the year ended December 31, 2016.

The policies applied in these consolidated financial statements are based on IFRS issued and outstanding as of July 26, 2017, the date the Board of Directors approved the statements.

The Company’s presentation currency is Canadian dollars and all amounts reported are Canadian dollars unless noted otherwise. References to “US$” are to United States ("U.S.") dollars. Crescent Point's Canadian and U.S. operations are aggregated into one reportable segment based on similar economic characteristics and the similar nature of the assets, products, production processes and customers.

## 3. CHANGES IN ACCOUNTING POLICIES

In future accounting periods, the Company will adopt the following IFRS:

- IFRS 15 *Revenue from Contracts with Customers* - IFRS 15 was issued in May 2014 and replaces IAS 18 *Revenue*, IAS 11 *Construction Contracts* and related interpretations. The standard is required to be adopted either retrospectively or using a modified transaction approach. In September 2015, the IASB amended IFRS 15, deferring the effective date of the standard by one year to annual periods beginning on or after January 1, 2018 with early adoption still permitted. IFRS 15 will be adopted by the Company on January 1, 2018. The Company is currently reviewing the terms of its sales contracts with customers to determine the impact, if any, that the standard will have on the consolidated financial statements.
- IFRS 9 *Financial Instruments* - IFRS 9 was amended in July 2014 to include guidance to assess and recognize impairment losses on financial assets based on an expected loss model. The amendments are effective for fiscal years beginning on or after January 1, 2018 with earlier adoption permitted. This amendment will be adopted by the Company on January 1, 2018 and the Company is currently evaluating the impact of the amendment on the consolidated financial statements and does not expect the amendment to have a material impact on the valuation of its financial assets.
- IFRS 16 *Leases* - IFRS 16 was issued January 2016 and replaces IAS 17 *Leases.* The standard introduces a single lessee accounting model for leases with required recognition of assets and liabilities for most leases. The standard is effective for fiscal years beginning on or after January 1, 2019 with early adoption permitted if the Company is also applying IFRS 15 *Revenue from Contracts with Customers*. IFRS 16 will be adopted by the Company on January 1, 2019 and the Company is currently reviewing contracts that are currently identified as leases and expects that the standard will have a material impact on the consolidated financial statements.

## 4. LONG-TERM INVESTMENTS

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Investments in public companies, beginning of period | **28.3** | 22.8 |
| Unrealized gain (loss) recognized in other income (loss) | **(6.6)** | 5.5 |
| Investments in public companies, end of period | **21.7** | 28.3 |
| Investment in private company, beginning of period | **7.5** | 7.5 |
| Unrealized gain (loss) recognized in other income (loss) | **-** | - |
| Investment in private company, end of period [1] | **7.5** | 7.5 |
| Long-term investments, end of period | **29.2** | 35.8 |

(1) The investment in a private company was previously valued based primarily on recent trading activity in the company's common shares, which resulted in a Level 2 fair value. At June 30, 2017, the investment was valued based on an estimate of the net asset value of the company's common shares. Therefore, the fair value was reclassified to Level 3.

### a) Public Companies

The Company holds common shares in publicly traded oil and gas companies. The investments are classified as financial assets at fair value through profit or loss and are fair valued with the resulting gain or loss recorded in net income. At June 30, 2017, the investments were recorded at a fair value of $21.7 million which was $11.1 million more than the original cost of the investments. At December 31, 2016, the investments were recorded at a fair value of $28.3 million which was $17.7 million more than the original cost of the investments.

### b) Private Company

The Company holds common shares in a private oil and gas company. The investment is classified as financial assets at fair value through profit or loss and is fair valued with the resulting gain or loss recorded in net income. At both June 30, 2017 and December 31, 2016, the investment was recorded at a fair value of $7.5 million which was $17.5 million less than the original cost of the investment. See Note 22 - "Financial Instruments and Derivatives" for additional information regarding the Company's Level 3 investments.

## 5. OTHER LONG-TERM ASSETS

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Reclamation fund | **16.3** | 22.7 |
| Other receivables | **14.0** | 14.0 |
| Other long-term assets | **30.3** | 36.7 |

### a) Reclamation fund

The following table reconciles the reclamation fund:

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Balance, beginning of period | **22.7** | 49.5 |
| Contributions | **11.1** | - |
| Expenditures | **(17.5)** | (26.8) |
| Balance, end of period | **16.3** | 22.7 |

### b) Other receivables

At June 30, 2017, the Company had investment tax credits of $14.0 million (December 31, 2016 - $14.0 million).

## 6. EXPLORATION AND EVALUATION ASSETS

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Exploration and evaluation assets at cost | **2,231.8** | 2,080.7 |
| Accumulated amortization | **(1,634.2)** | (1,582.6) |
| Net carrying amount | **597.6** | 498.1 |
| **Reconciliation of movements during the period** | | |
| Cost, beginning of period | **2,080.7** | 1,961.0 |
| Accumulated amortization, beginning of period | **(1,582.6)** | (1,420.3) |
| Net carrying amount, beginning of period | **498.1** | 540.7 |
| Net carrying amount, beginning of period | **498.1** | 540.7 |
| Acquisitions through business combinations, net | **116.0** | 62.9 |
| Additions | **300.3** | 314.8 |
| Dispositions | **-** | (0.4) |
| Transfers to property, plant and equipment | **(239.0)** | (238.3) |
| Amortization | **(65.8)** | (172.5) |
| Foreign exchange | **(12.0)** | (9.1) |
| Net carrying amount, end of period | **597.6** | 498.1 |

Exploration and evaluation ("E&E") assets consist of the Company's undeveloped land and exploration projects which are pending the determination of technical feasibility. Additions represent the Company's share of the cost of E&E assets. At June 30, 2017, $597.6 million remained in E&E assets after $239.0 million was transferred to property, plant and equipment ("PP&E") following the determination of technical feasibility during the six months ended June 30, 2017 (year ended December 31, 2016 - $498.1 million and $238.3 million, respectively).

**Impairment test of exploration and evaluation assets**

There were no indicators of impairment at June 30, 2017.

## 7. CAPITAL ACQUISITIONS AND DISPOSITIONS

In the six months ended June 30, 2017, the Company incurred $2.7 million (June 30, 2016 - $0.6 million) of transaction costs related to acquisitions through business combinations and dispositions that were recorded as general and administrative expenses.

**Minor Property Acquisitions and Dispositions**

Crescent Point completed minor property acquisitions and dispositions during the six months ended June 30, 2017 ($45.7 million was allocated to PP&E and $116.0 million was allocated to E&E assets, including $8.8 million related to net disposed decommissioning liability). These minor property acquisitions and dispositions were completed with full tax pools and no working capital items.

## 8. PROPERTY, PLANT AND EQUIPMENT

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Development and production assets | **25,517.6** | 24,846.9 |
| Corporate assets | **104.2** | 102.4 |
| Property, plant and equipment at cost | **25,621.8** | 24,949.3 |
| Accumulated depletion, depreciation and impairment | **(11,322.3)** | (10,774.4) |
| Net carrying amount | **14,299.5** | 14,174.9 |
| **Reconciliation of movements during the period** | | |
| **Development and production assets** | | |
| Cost, beginning of period | **24,846.9** | 23,677.4 |
| Accumulated depletion and impairment, beginning of period | **(10,735.5)** | (8,795.5) |
| Net carrying amount, beginning of period | **14,111.4** | 14,881.9 |
| Net carrying amount, beginning of period | **14,111.4** | 14,881.9 |
| Acquisitions through business combinations, net | **170.1** | 218.2 |
| Additions | **597.5** | 909.5 |
| Dispositions | **(124.4)** | (56.4) |
| Transfers from exploration and evaluation assets | **239.0** | 238.3 |
| Depletion | **(694.7)** | (1,427.0) |
| Impairment | **-** | (611.4) |
| Foreign exchange | **(60.1)** | (41.7) |
| Net carrying amount, end of period | **14,238.8** | 14,111.4 |
| Cost, end of period | **25,517.6** | 24,846.9 |
| Accumulated depletion and impairment, end of period | **(11,278.8)** | (10,735.5) |
| Net carrying amount, end of period | **14,238.8** | 14,111.4 |
| **Corporate assets** | | |
| Cost, beginning of period | **102.4** | 101.5 |
| Accumulated depreciation, beginning of period | **(38.9)** | (29.7) |
| Net carrying amount, beginning of period | **63.5** | 71.8 |
| Net carrying amount, beginning of period | **63.5** | 71.8 |
| Additions | **1.8** | 0.9 |
| Depreciation | **(4.7)** | (9.2) |
| Foreign exchange | **0.1** | - |
| Net carrying amount, end of period | **60.7** | 63.5 |
| Cost, end of period | **104.2** | 102.4 |
| Accumulated depreciation, end of period | **(43.5)** | (38.9) |
| Net carrying amount, end of period | **60.7** | 63.5 |

At June 30, 2017, future development costs of $6.8 billion (December 31, 2016 - $6.7 billion) were included in costs subject to depletion.

Direct general and administrative costs capitalized by the Company during the six months ended June 30, 2017 were $24.9 million (year ended December 31, 2016 - $47.9 million), including $5.4 million of share-based compensation costs (year ended December 31, 2016 - $14.3 million).

**Impairment test of property, plant and equipment**

The Company did not record impairment during the six months ended June 30, 2017.

## 9. GOODWILL

At June 30, 2017, the Company had goodwill of $251.9 million (December 31, 2016 - $251.9 million). Goodwill has been assigned to the Canadian operating segment.

## 10. OTHER CURRENT LIABILITIES

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Current portion of long-term compensation liability [1] | **0.7** | - |
| Decommissioning liability | **24.7** | 23.7 |
| Other current liabilities | **25.4** | 23.7 |

(1) Current portion of long-term compensation liability relates to the Performance Share Unit ("PSU") plan. See additional information in Note 20 - "Share-based Compensation".

## 11. LONG-TERM DEBT

The following table reconciles long-term debt:

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Bank debt | **2,085.2** | 1,672.1 |
| Senior guaranteed notes [1] | **1,996.4** | 2,148.6 |
| Long-term debt | **4,081.6** | 3,820.7 |
| Long-term debt due within one year | **66.2** | 90.6 |
| Long-term debt due beyond one year | **4,015.4** | 3,730.1 |

(1) The Company entered into cross currency swaps and a foreign exchange swap concurrent with the issuance of the US dollar senior guaranteed notes to fix the US dollar amount of the notes for the purpose of principal repayment at Canadian dollar notional amounts. At June 30, 2017, the total principal due on the maturity of the senior guaranteed notes was $1.67 billion (December 31, 2016 - $1.74 billion) of which $50.3 million (December 31, 2016 - $68.9 million) was due within one year.

**Bank Debt**

The Company has combined credit facilities of $3.6 billion, including a $3.5 billion syndicated unsecured credit facility with fourteen banks and a $100.0 million unsecured operating credit facility with one Canadian chartered bank. The syndicated unsecured credit facility also includes an accordion feature that allows the Company to increase the facility by up to $500.0 million under certain conditions. The current maturity date of the syndicated unsecured credit facility and the unsecured operating credit facility is June 10, 2020. Both of these facilities constitute revolving credit facilities and are extendible annually.

The credit facilities bear interest at the applicable market rate plus a margin based on a sliding scale ratio of the Company's senior debt to earnings before interest, taxes, depletion, depreciation, amortization and impairment, adjusted for certain non-cash items including unrealized derivatives, unrealized foreign exchange, share-based compensation expense and accretion ("adjusted EBITDA").

The credit facilities and senior guaranteed notes have covenants which restrict the Company's ratio of senior debt to adjusted EBITDA to a maximum of 3.5:1.0, the ratio of total debt to adjusted EBITDA to a maximum of 4.0:1.0 and the ratio of senior debt to capital, adjusted for certain non-cash items as noted above, to a maximum of 0.55:1.0. The Company was in compliance with all debt covenants at June 30, 2017.

The Company had letters of credit in the amount of $6.0 million outstanding at June 30, 2017 (December 31, 2016 - $0.5 million).

The Company manages its credit facilities through a combination of bankers' acceptance loans, US dollar LIBOR loans and interest rate swaps.

**Senior Guaranteed Notes**

The Company has closed private offerings of senior guaranteed notes raising total gross proceeds of US$1.39 billion and Cdn$197.0 million. The notes are unsecured and rank *pari passu* with the Company's bank credit facilities and carry a bullet repayment on maturity. The senior guaranteed notes have financial covenants similar to those of the combined credit facilities described above. The terms, rates, amounts due on maturity and carrying amounts of the Company's outstanding senior guaranteed notes are detailed below:

| Principal ($ millions) | Coupon Rate | Principal Due on Maturity [1] (Cdn$ millions) | Interest Payment Dates | Maturity Date | Financial statement carrying value | |
|---|---|---|---|---|---|---|
| | | | | | **June 30, 2017** | December 31, 2016 |
| US$67.5 | 5.48% | - | September 24 and March 24 | March 24, 2017 | **-** | 90.6 |
| US$31.0 | 4.58% | 29.9 | October 14 and April 14 | April 14, 2018 | **40.2** | 41.6 |
| US$20.0 | 2.65% | 20.4 | December 12 and June 12 | June 12, 2018 | **26.0** | 26.9 |
| Cdn$7.0 | 4.29% | 7.0 | November 22 and May 22 | May 22, 2019 | **7.0** | 7.0 |
| US$68.0 | 3.39% | 66.7 | November 22 and May 22 | May 22, 2019 | **88.3** | 91.3 |
| US$155.0 | 6.03% | 158.3 | September 24 and March 24 | March 24, 2020 | **201.2** | 208.1 |
| Cdn$50.0 | 5.53% | 50.0 | October 14 and April 14 | April 14, 2021 | **50.0** | 50.0 |
| US$82.0 | 5.13% | 79.0 | October 14 and April 14 | April 14, 2021 | **106.5** | 110.1 |
| US$52.5 | 3.29% | 56.3 | December 20 and June 20 | June 20, 2021 | **68.2** | 70.5 |
| Cdn$25.0 | 4.76% | 25.0 | November 22 and May 22 | May 22, 2022 | **25.0** | 25.0 |
| US$200.0 | 4.00% | 199.1 | November 22 and May 22 | May 22, 2022 | **259.6** | 268.5 |
| Cdn$10.0 | 4.11% | 10.0 | December 12 and June 12 | June 12, 2023 | **10.0** | 10.0 |
| US$270.0 | 3.78% | 274.7 | December 12 and June 12 | June 12, 2023 | **350.5** | 362.5 |
| Cdn$40.0 | 3.85% | 40.0 | December 20 and June 20 | June 20, 2024 | **40.0** | 40.0 |
| US$257.5 | 3.75% | 276.4 | December 20 and June 20 | June 20, 2024 | **334.3** | 345.7 |
| Cdn$65.0 | 3.94% | 65.0 | October 22 and April 22 | April 22, 2025 | **65.0** | 65.0 |
| US$230.0 | 4.08% | 291.1 | October 22 and April 22 | April 22, 2025 | **298.6** | 308.9 |
| US$20.0 | 4.18% | 25.3 | October 22 and April 22 | April 22, 2027 | **26.0** | 26.9 |
| Senior guaranteed notes | | 1,674.2 | | | **1,996.4** | 2,148.6 |
| Senior guaranteed notes due within one year | | | | | **66.2** | 90.6 |
| Senior guaranteed notes due beyond one year | | | | | **1,930.2** | 2,058.0 |

(1) Includes underlying derivatives which manage the Company's foreign exchange exposure on its US dollar senior guaranteed notes. The Company considers this to be the economic amount due at maturity instead of the financial statement carrying amount. During the six months ended June 30, 2017, $68.9 million (year ended December 31, 2016 - $50.1 million) was repaid on the maturity of senior guaranteed notes.

Concurrent with the issuance of US$1.36 billion senior guaranteed notes, the Company entered into cross currency swaps ("CCS") to manage the Company's foreign exchange risk. The CCS fix the US dollar amount of the notes for purposes of interest and principal repayments at a notional amount of $1.44 billion. Concurrent with the issuance of US$30.0 million senior guaranteed notes, the Company entered a foreign exchange swap which fixed the principal repayment at a notional amount of $32.2 million. See additional information in Note 22 - “Financial Instruments and Derivatives”.

## 12. OTHER LONG-TERM LIABILITIES

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Lease inducement [1] | **41.8** | 43.6 |
| Long-term compensation liability [2] | **2.6** | 3.7 |
| Onerous contracts provision [3] | **9.3** | 7.3 |
| Other long-term liabilities | **53.7** | 54.6 |

(1) The Company's lease inducement is associated with the building lease for Crescent Point's corporate office. This non-cash liability is amortized on a straight-line basis over the term of the lease to June 2030.

(2) Long-term compensation liability relates to the PSU and Deferred Share Unit ("DSU") plans. See additional information in Note 20 - "Share-based Compensation".

(3) Onerous contracts provision is related to the estimated unrecoverable portion of building leases.

## 13. DECOMMISSIONING LIABILITY

Upon retirement of its oil and gas assets, the Company anticipates substantial costs associated with decommissioning. The estimated cash flows have been discounted using a risk free rate of approximately 2.25 percent and an inflation rate of 2 percent (December 31, 2016 - approximately 2.25 percent and 2 percent, respectively).

The following table reconciles the decommissioning liability:

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Decommissioning liability, beginning of period | **1,314.4** | 1,255.4 |
| Liabilities incurred | **16.4** | 41.6 |
| Liabilities acquired through capital acquisitions | **14.2** | 23.7 |
| Liabilities disposed through capital dispositions | **(23.0)** | (10.7) |
| Liabilities settled | **(12.0)** | (16.0) |
| Revaluation of acquired decommissioning liabilities [(1)] | **26.1** | 36.1 |
| Change in estimated future costs | **-** | (27.1) |
| Change in discount rate | **-** | (14.5) |
| Accretion expense | **14.7** | 25.9 |
| Decommissioning liability, end of period | **1,350.8** | 1,314.4 |
| Expected to be incurred within one year | **24.7** | 23.7 |
| Expected to be incurred beyond one year | **1,326.1** | 1,290.7 |

(1) These amounts relate to the revaluation of acquired decommissioning liabilities at the end of the period using a risk-free discount rate. At the date of acquisition, acquired decommissioning liabilities are fair valued.

## 14. SHAREHOLDERS' CAPITAL

Crescent Point has an unlimited number of common shares authorized for issuance.

| | **June 30, 2017** | | December 31, 2016 | |
|---|---|---|---|---|
| | **Number of shares** | **Amount ($ millions)** | Number of shares | Amount ($ millions) |
| Common shares, beginning of period | **541,742,592** | **16,656.1** | 504,935,930 | 15,929.7 |
| Issued for cash | **-** | **-** | 33,700,000 | 650.4 |
| Issued on capital acquisitions | **-** | **-** | 890,648 | 17.7 |
| Issued on redemption of restricted shares [(1)] | **3,219,221** | **65.3** | 2,216,014 | 58.3 |
| Common shares, end of period | **544,961,813** | **16,721.4** | 541,742,592 | 16,656.1 |
| Cumulative share issue costs, net of tax | **-** | **(256.1)** | - | (255.9) |
| Total shareholders' capital, end of period | **544,961,813** | **16,465.3** | 541,742,592 | 16,400.2 |

(1) The amount of shares issued on redemption of restricted shares is net of any employee withholding taxes.

## 15. DEFICIT

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Accumulated earnings (deficit) | **(36.7)** | (239.7) |
| Accumulated gain on shares issued pursuant to DRIP [(1)] and SDP [(2)] | **8.4** | 8.4 |
| Accumulated tax effect on redemption of restricted shares | **12.1** | 10.1 |
| Accumulated dividends | **(7,309.7)** | (7,210.9) |
| Deficit | **(7,325.9)** | (7,432.1) |

(1) Premium Dividend ™ and Dividend Reinvestment Plan.

(2) Share Dividend Plan.

## 16. CAPITAL MANAGEMENT

The Company's capital structure is comprised of shareholders' equity, long-term debt and adjusted working capital. The balance of each of these items is as follows:

| ($ millions) | **June 30, 2017** | December 31, 2016 |
|---|---|---|
| Long-term debt | **4,081.6** | 3,820.7 |
| Adjusted working capital deficiency [(1)] | **168.3** | 273.3 |
| Unrealized foreign exchange on translation of US dollar long-term debt | **(286.5)** | (420.6) |
| Net debt | **3,963.4** | 3,673.4 |
| Shareholders' equity | **9,642.2** | 9,591.2 |
| Total capitalization | **13,605.6** | 13,264.6 |

(1) Adjusted working capital deficiency is calculated as accounts payable and accrued liabilities plus dividends payable, less cash, accounts receivable, prepaids and deposits and long-term investments.

Crescent Point's objective for managing capital is to maintain a strong balance sheet and capital base to provide financial flexibility, position the Company to fund future development projects and pay dividends. The Company seeks to maximize stakeholder value through its total return strategy of long-term growth plus dividend income.

Crescent Point manages and monitors its capital structure and short-term financing requirements using a measure not defined in IFRS, the ratio of net debt to adjusted funds flow from operations. Net debt is calculated as long-term debt plus accounts payable and accrued liabilities and dividends payable, less cash, accounts receivable, prepaids and deposits and long-term investments, excluding the unrealized foreign exchange on translation of US dollar long-term debt. Adjusted funds flow from operations is calculated as cash flow from operating activities before changes in non-cash working capital, transaction costs and decommissioning expenditures. Net debt to adjusted funds flow from operations is used to measure the Company's overall debt position and to measure the strength of the Company's balance sheet. Crescent Point's objective is to manage this metric to be well positioned to pay monthly dividends and to continue to exploit and develop its resource plays. Crescent Point monitors this ratio and uses this as a key measure in making decisions regarding financing, capital spending and dividend levels. The Company's net debt to adjusted funds flow from operations ratio at June 30, 2017 was 2.4 times (December 31, 2016 - 2.3 times). The adjusted funds flow from operations only reflects adjusted funds flow from operations generated on acquired properties since the closing date of the acquisitions.

Crescent Point strives to fund its capital expenditures, decommissioning expenditures and dividends over time by managing risks associated with the oil and gas industry. To accomplish this, the Company maintains a conservative balance sheet with significant unutilized lines of credit, manages its exposure to fluctuating interest rates and foreign exchange rates on its long-term debt, and actively hedges commodity prices using a 3½ year risk management program. Unless otherwise approved by the Board of Directors, the Company can hedge benchmark prices on up to 65 percent of after royalty volumes using a portfolio of swaps, collars and put option instruments and can hedge price differentials on up to 35 percent of after royalty volumes using a combination of financial derivatives and fixed differential physical contracts. See Note 22 - "Financial Instruments and Derivatives" for additional information regarding the Company's derivative contracts.

Crescent Point is subject to certain financial covenants on its credit facilities and senior guaranteed notes agreements and was in compliance with all financial covenants as at June 30, 2017. See Note 11 - "Long-term Debt" for additional information regarding the Company's financial covenant requirements.

## 17. DERIVATIVE GAINS (LOSSES)

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | **2017** | 2016 |
| Realized gains | **23.2** | 116.0 | **34.0** | 328.1 |
| Unrealized gains (losses) | **(14.7)** | (237.8) | **74.4** | (536.4) |
| Derivative gains (losses) | **8.5** | (121.8) | **108.4** | (208.3) |

## 18. OTHER INCOME (LOSS)

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | **2017** | 2016 |
| Unrealized gain (loss) on long-term investments | **(3.4)** | 2.8 | **(6.6)** | 4.9 |
| Other gain | **-** | 2.8 | **-** | 2.8 |
| Other income (loss) | **(3.4)** | 5.6 | **(6.6)** | 7.7 |

## 19. FOREIGN EXCHANGE GAIN (LOSS)

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | **2017** | 2016 |
| Realized gain (loss) | | | | |
| CCS - US dollar long-term debt maturities and interest payments | **22.4** | (27.1) | **24.7** | (5.7) |
| US dollar long-term debt maturities | **(16.1)** | 25.2 | **(15.7)** | 5.2 |
| Other | **3.5** | (3.1) | **4.3** | (4.3) |
| Unrealized gain (loss) | | | | |
| Translation of US dollar long-term debt | **111.2** | (44.0) | **134.1** | 197.6 |
| Other | **(1.6)** | 0.9 | **(1.4)** | 1.1 |
| Foreign exchange gain (loss) | **119.4** | (48.1) | **146.0** | 193.9 |

## 20. SHARE-BASED COMPENSATION

### Restricted Share Bonus Plan

The Company has a Restricted Share Bonus Plan pursuant to which the Company may grant restricted shares to directors, officers, employees and consultants. The restricted shares vest on terms up to three years from the grant date as determined by the Board of Directors.

### Performance Share Unit Plan

In April 2017, the Company approved a PSU plan for designated employees. The PSUs vest on terms up to three years from the grant date as determined by the Board of Directors. PSUs are accounted for at fair value. Share-based compensation expense is determined based on the estimated fair value of the PSUs on the date of the grant and subsequently adjusted to reflect the fair value at each period end. Fair value is based on the expected cash payment per PSU and the expected number of PSUs to vest, calculated from multipliers based on internal (production growth and drilling rate of return) and external (relative total shareholder return) performance metrics. The expense is recognized over the service period, with a corresponding increase to long-term compensation liability. PSUs are settled in cash upon vesting based on the prevailing Crescent Point share price, accrued dividends and the performance multipliers. The Company granted 2,600,354 PSUs in the six months ended June 30, 2017 (year ended December 31, 2016 - nil).

### Deferred Share Unit Plan

The Company has a DSU plan for directors. Each DSU vests on the date of the grant, however, the settlement of the DSU occurs following a change of control or when the individual ceases to be a director of the Company. DSUs are settled in cash based on the prevailing Crescent Point share price.

The following table reconciles the number of restricted shares and DSUs for the six months ended June 30, 2017:

| | Restricted Shares | Deferred Share Units |
|---|---|---|
| Balance, beginning of period | 5,188,358 | 204,653 |
| Granted | 2,335,910 | 18,376 |
| Redeemed | (3,342,237) | (45,792) |
| Forfeited | (110,291) | - |
| Balance, end of period | 4,071,740 | 177,237 |

The following table reconciles the number of restricted shares and DSUs for the year ended December 31, 2016:

| | Restricted Shares | Deferred Share Units |
|---|---|---|
| Balance, beginning of year | 3,960,363 | 153,283 |
| Granted | 3,930,449 | 51,370 |
| Redeemed | (2,280,626) | - |
| Forfeited | (421,828) | - |
| Balance, end of year | 5,188,358 | 204,653 |

For the six months ended June 30, 2017, the Company calculated total share-based compensation of $29.1 million (June 30, 2016 - $41.7 million), net of estimated forfeitures, of which $5.4 million was capitalized (June 30, 2016 - $8.0 million).

At June 30, 2017, the current portion of long-term compensation liability of $0.7 million was included in other current liabilities (December 31, 2016 - nil) and $2.6 million was included in other long-term liabilities (December 31, 2016 - $3.7 million).

## 21. PER SHARE AMOUNTS

The following table summarizes the weighted average shares used in calculating net income per share:

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| | **2017** | 2016 | **2017** | 2016 |
| Weighted average shares – basic | **544,947,089** | 506,345,980 | **544,705,073** | 506,018,276 |
| Dilutive impact of restricted shares | **1,131,509** | - | **1,745,224** | - |
| Weighted average shares – diluted [(1)] | **546,078,598** | 506,345,980 | **546,450,297** | 506,018,276 |

(1) Excludes the impact of 2,733,353 and 2,568,378 weighted average shares related to restricted shares that were anti-dilutive for the three and six months ended June 30, 2016, respectively.

## 22. FINANCIAL INSTRUMENTS AND DERIVATIVES

The Company's financial assets and liabilities are comprised of cash, accounts receivable, long-term investments, reclamation fund, derivative assets and liabilities, accounts payable and accrued liabilities, dividends payable and long-term debt.

Crescent Point's derivative assets and liabilities are transacted in active markets. Crescent Point's long-term investments are transacted in active and non-active markets. The Company classifies the fair value of these transactions according to the following fair value hierarchy based on the amount of observable inputs used to value the instrument:

- Level 1 - Values are based on unadjusted quoted prices available in active markets for identical assets or liabilities as of the reporting date.
- Level 2 - Values are based on inputs, including quoted forward prices for commodities, time value and volatility factors, which can be substantially observed or corroborated in the marketplace. Prices in Level 2 are either directly or indirectly observable as of the reporting date.
- Level 3 - Values are based on prices or valuation techniques that are not based on observable market data.

Accordingly, Crescent Point's derivative assets and liabilities are classified as Level 2. Long-term investments are classified as Level 1, Level 2 or Level 3 depending on the valuation methods and inputs used and whether the applicable company is publicly traded or private. Assessment of the significance of a particular input to the fair value measurement requires judgment and may affect the placement within the fair value hierarchy.

Crescent Point's valuation of the investment in a private company is based primarily on an estimate of the net asset value of the relevant company's common shares. The Company's finance department is responsible for performing the valuation of financial instruments, including the calculation of Level 3 fair values. Refer to Note 4 - "Long-term Investments" for changes in the Company's Level 3 investments.

Discussions of the fair values and risks associated with financial assets and liabilities, as well as summarized information related to derivative positions are detailed below:

### a) Carrying Amount and Fair Value of Financial Instruments

The fair value of cash, accounts receivable, reclamation fund, accounts payable and accrued liabilities and dividends payable approximate their carrying amount due to the short-term nature of those instruments. The fair value of the amounts drawn on bank credit facilities is equal to its carrying amount as the facilities bear interest at floating rates and credit spreads that are indicative of market rates. These financial instruments are classified as financial assets and liabilities at amortized cost and are reported at amortized cost.

The following table summarizes the carrying value of the Company's remaining financial assets and liabilities as compared to their respective fair values as at June 30, 2017:

| ($ millions) | June 30, 2017 Carrying Value | June 30, 2017 Fair Value | Quoted prices in active markets for identical assets (Level 1) | Significant other observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| Derivatives | 434.8 | 434.8 | - | 434.8 | - |
| Long-term investments [1] | 29.2 | 29.2 | 21.7 | - | 7.5 |
| | 464.0 | 464.0 | 21.7 | 434.8 | 7.5 |
| **Financial liabilities** | | | | | |
| Derivatives | 38.7 | 38.7 | - | 38.7 | - |
| Senior guaranteed notes [2] | 1,996.4 | 1,978.5 | - | 1,978.5 | - |
| | 2,035.1 | 2,017.2 | - | 2,017.2 | - |

(1) Long-term investments are comprised of equity securities in public and private oil and gas companies.

(2) The senior guaranteed notes are classified as financial liabilities at amortized cost and are reported at amortized cost. The notes denominated in US dollars are translated to Canadian dollars at the period end exchange rate. The fair value of the notes is calculated based on current interest rates and is not recorded in the financial statements.

The following table summarizes the carrying value of the Company's remaining financial assets and liabilities as compared to their respective fair values as at December 31, 2016:

| ($ millions) | December 31, 2016 Carrying Value | December 31, 2016 Fair Value | Quoted prices in active markets for identical assets (Level 1) | Significant other observable inputs (Level 2) | Significant unobservable inputs (Level 3) |
|---|---|---|---|---|---|
| **Financial assets** | | | | | |
| Derivatives | 389.4 | 389.4 | - | 389.4 | - |
| Long-term investments [1] | 35.8 | 35.8 | 28.3 | 7.5 | - |
| | 425.2 | 425.2 | 28.3 | 396.9 | - |
| **Financial liabilities** | | | | | |
| Derivatives | 67.7 | 67.7 | - | 67.7 | - |
| Senior guaranteed notes [2] | 2,148.6 | 2,119.2 | - | 2,119.2 | - |
| | 2,216.3 | 2,186.9 | - | 2,186.9 | - |

(1) Long-term investments are comprised of equity securities in public and private oil and gas companies.

(2) The senior guaranteed notes are classified as financial liabilities at amortized cost and are reported at amortized cost. The notes denominated in US dollars are translated to Canadian dollars at the period end exchange rate. The fair value of the notes is calculated based on current interest rates and is not recorded in the financial statements.

***Derivative assets and liabilities***

Derivative assets and liabilities arise from the use of derivative contracts. The Company's derivative financial instruments are classified as fair value through profit or loss and are reported at fair value with changes in fair value recorded in net income.

The following table summarizes the fair value as at June 30, 2017 and the change in fair value for the six months ended June 30, 2017:

| ($ millions) | Commodity contracts [1] | Interest contracts | CCS contracts | Foreign exchange contracts | Total |
|---|---|---|---|---|---|
| Derivative assets / (liabilities), beginning of period | (60.6) | 2.1 | 373.3 | 6.9 | 321.7 |
| Unrealized change in fair value | 189.2 | 2.9 | (117.0) | (0.7) | 74.4 |
| Derivative assets / (liabilities), end of period | 128.6 | 5.0 | 256.3 | 6.2 | 396.1 |
| | | | | | |
| Derivative assets, end of period | 128.9 | 5.0 | 294.7 | 6.2 | 434.8 |
| Derivative liabilities, end of period | (0.3) | - | (38.4) | - | (38.7) |

(1) Includes oil, gas and power contracts.

The following table summarizes the fair value as at December 31, 2016 and the change in fair value for the year ended December 31, 2016:

| ($ millions) | Commodity contracts [1] | Interest contracts | CCS contracts | Foreign exchange contracts | Total |
|---|---|---|---|---|---|
| Derivative assets / (liabilities), beginning of year | 527.3 | (0.4) | 493.7 | 7.9 | 1,028.5 |
| Unrealized change in fair value | (587.9) | 2.5 | (120.4) | (1.0) | (706.8) |
| Derivative assets / (liabilities), end of year | (60.6) | 2.1 | 373.3 | 6.9 | 321.7 |
| | | | | | |
| Derivative assets, end of year | 6.1 | 2.9 | 373.5 | 6.9 | 389.4 |
| Derivative liabilities, end of year | (66.7) | (0.8) | (0.2) | - | (67.7) |

(1) Includes oil, gas and power contracts.

***Offsetting Financial Assets and Liabilities***

Financial assets and liabilities are only offset if the Company has the legal right to offset and intends to settle on a net basis or settle the asset and liability simultaneously. The Company offsets derivative assets and liabilities when the counterparty, commodity, currency and timing of settlement are the same. The following table summarizes the gross asset and liability positions of the Company's financial derivatives by contract that are offset on the balance sheet as at June 30, 2017 and December 31, 2016:

| | | | June 30, 2017 | | | December 31, 2016 |
|---|---|---|---|---|---|---|
| ($ millions) | Asset | Liability | Net | Asset | Liability | Net |
| Gross amount | 434.8 | (38.7) | 396.1 | 400.7 | (79.0) | 321.7 |
| Amount offset | - | - | - | (11.3) | 11.3 | - |
| Net amount | 434.8 | (38.7) | 396.1 | 389.4 | (67.7) | 321.7 |

**b) Risks Associated with Financial Assets and Liabilities**

The Company is exposed to financial risks from its financial assets and liabilities. The financial risks include market risk relating to commodity prices, interest rates and foreign exchange rates as well as credit and liquidity risk.

**Market Risk**

Market risk is the risk that the fair value or future cash flows of a derivative will fluctuate because of changes in market prices. Market risk is comprised of commodity price risk, interest rate risk and foreign exchange risk as discussed below.

***Commodity Price Risk***

The Company is exposed to commodity price risk on crude oil and natural gas revenues as well as power on electricity consumption. As a means to mitigate the exposure to commodity price volatility, the Company has entered into various derivative agreements and physical contracts. The use of derivative instruments is governed under formal policies and is subject to limits established by the Board of Directors.

Crude oil - To partially mitigate exposure to crude oil commodity price risk, the Company enters into option contracts and swaps to manage the Cdn$ WTI price fluctuations. The Company also enters physical delivery and derivative WTI price differential contracts which manage the spread between US$ WTI and various stream prices. The Company manages physical delivery contracts on a month-to-month spot and on a term contract basis. As at June 30, 2017, Crescent Point had committed, on a term contract basis, to deliver an average of approximately 16,400 bbl/d of liquids from July 2017 to December 2017, 6,800 bbl/d of liquids for calendar 2018, 4,500 bbl/d of crude oil for calendar 2019 and 3,000 bbl/d of crude oil for calendar 2020 and 2021.

Natural gas - To partially mitigate exposure to natural gas commodity price risk, the Company enters into AECO natural gas swaps, which manage the AECO natural gas price fluctuations.

Power - To partially mitigate exposure to electricity price changes, the Company enters into swaps or fixed price physical delivery contracts which fix the power price.

The following table summarizes the sensitivity of the fair value of the Company's derivative positions as at June 30, 2017 and June 30, 2016 to fluctuations in commodity prices or differentials, with all other variables held constant. When assessing the potential impact of these commodity price or differential changes, the Company believes a 10 percent near-term volatility is a reasonable measure. Fluctuations in commodity prices or differentials potentially would have resulted in unrealized gains (losses) impacting income before tax as follows:

| ($ millions) | Impact on Income Before Tax Three and six months ended June 30, 2017 | | Impact on Income Before Tax Three and six months ended June 30, 2016 | |
|---|---|---|---|---|
| | Increase 10% | Decrease 10% | Increase 10% | Decrease 10% |
| **Commodity price** | | | | |
| Crude oil | (54.4) | 48.8 | (114.7) | 111.3 |
| Natural gas | (6.2) | 6.2 | (8.6) | 8.6 |
| Power [1] | - | - | 0.1 | (0.1) |
| **Differential** | | | | |
| Crude oil | 0.2 | (0.2) | 0.1 | (0.1) |

(1) The impact on income before tax for the three and six months ended June 30, 2017 was nominal.

### *Interest Rate Risk*

The Company is exposed to interest rate risk on bank credit facilities to the extent of changes in market interest rates. Based on the Company's floating rate debt position as at June 30, 2017, a one percent increase or decrease in the interest rate on floating rate debt would amount to an impact on income before tax of $4.2 million and $8.4 million in the three and six months ended June 30, 2017, respectively.

The Company partially mitigates its exposure to interest rate changes by entering into interest rate swap transactions. The following sensitivities show the resulting unrealized gains (losses) and the impact on income before tax of the respective changes in the applicable forward interest rates as at June 30, 2017 and June 30, 2016 with all other variables held constant:

| ($ millions) | Impact on Income Before Tax Three and six months ended June 30, 2017 | | Impact on Income Before Tax Three and six months ended June 30, 2016 | |
|---|---|---|---|---|
| Forward interest rates | Increase 10% | Decrease 10% | Increase 10% | Decrease 10% |
| Interest rate swaps | 1.7 | (1.7) | 1.2 | (1.2) |

### *Foreign Exchange Risk*

Foreign exchange risk arises from changes in foreign exchange rates that may affect the fair value or future cash flows of the Company's financial assets or liabilities. As the Company operates in Canada and the United States, fluctuations in the exchange rate between the US/Canadian dollars can have a significant effect on reported results. The Company is exposed to foreign exchange risk in relation to its US dollar denominated long-term debt, investment in U.S. subsidiaries and in relation to its crude oil sales. Crescent Point entered into various CCS and foreign exchange swaps to hedge its foreign exchange exposure on its US dollar denominated long-term debt.

The Company can partially mitigate its exposure to foreign exchange rate changes by entering into US dollar swaps. To partially mitigate the foreign exchange risk relating to crude oil sales, the Company has fixed crude oil contracts to settle in Cdn$ WTI.

The following sensitivities show the resulting unrealized gains (losses) and the impact on income before tax of the respective changes in the period end and applicable forward foreign exchange rates at June 30, 2017 and June 30, 2016 with all other variables held constant:

| ($ millions) | Exchange Rate | Impact on Income Before Tax Three and six months ended June 30, 2017 | | Impact on Income Before Tax Three and six months ended June 30, 2016 | |
|---|---|---|---|---|---|
| Cdn$ relative to US$ | | Increase 10% | Decrease 10% | Increase 10% | Decrease 10% |
| US dollar long-term debt | Period End | 380.5 | (380.5) | 397.6 | (397.6) |
| Cross currency swaps | Forward | (396.5) | 396.5 | (427.7) | 427.7 |
| Foreign exchange swaps | Forward | (3.8) | 3.8 | (5.6) | 5.6 |

**Credit Risk**

Credit risk is the risk that one party to a financial instrument will cause a financial loss for the other party by failing to discharge an obligation. A substantial portion of the Company's accounts receivable are with customers in the oil and gas industry and are subject to normal industry credit risks. The Company monitors the creditworthiness and concentration of credit with customers of its physical oil and gas sales. To mitigate credit risk associated with its physical sales portfolio, Crescent Point obtains financial assurances such as parental guarantees, letters of credit and third party credit insurance. Including these assurances, approximately 96% of the Company's oil and gas sales are with entities considered investment grade.

The Company is authorized to transact derivative contracts with counterparties rated A (or equivalent) or better, based on the lowest rating of the three ratings providers. Should one of the Company's financial counterparties be downgraded below the A rating limit, the Chief Financial Officer will advise the Audit Committee and provide recommendations to minimize the Company's credit risk to that counterparty. The maximum credit exposure associated with accounts receivable is the total carrying amount and the maximum exposure associated with the derivative instruments approximates their fair value.

At June 30, 2017, approximately 3 percent (December 31, 2016 - 3 percent) of the Company's accounts receivable balance was outstanding for more than 90 days and the Company considers the entire balance to be collectible.

**Liquidity Risk**

The timing of undiscounted cash outflows relating to the financial liabilities outstanding as at June 30, 2017 is outlined in the table below:

| ($ millions) | 1 year | 2 to 3 years | 4 to 5 years | More than 5 years | Total |
|---|---|---|---|---|---|
| Accounts payable and accrued liabilities | 539.2 | - | - | - | 539.2 |
| Dividends payable | 16.6 | - | - | - | 16.6 |
| Derivative liabilities (1) | 0.3 | - | - | - | 0.3 |
| Senior guaranteed notes (2) | 127.2 | 378.0 | 522.3 | 1,069.2 | 2,096.7 |
| Bank credit facilities (3) | 75.1 | 2,202.9 | - | - | 2,278.0 |

(1) These amounts exclude undiscounted cash outflows pursuant to the CCS and foreign exchange swap.

(2) These amounts include the notional principal and interest payments pursuant to the related CCS and foreign exchange swap, which fix the amounts due in Canadian dollars.

(3) These amounts include interest based on debt outstanding and interest rates effective as at June 30, 2017. The current maturity date of the Company's facilities is June 10, 2020. The Company expects that the facilities will continue to be renewed and extended prior to their maturity dates.

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities. The Company manages its liquidity risk through managing its capital structure and continuously monitoring forecast cash flows and available credit under existing banking arrangements as well as other potential sources of capital.

At June 30, 2017, the Company had available unused borrowing capacity on bank credit facilities of approximately $1.50 billion, including $6.0 million letters of credit drawn on the facility. Crescent Point believes it has sufficient liquidity to meet its foreseeable spending requirements.

**c) Derivative Contracts**

The Company enters into fixed price oil, gas, power, interest rate, cross currency, foreign exchange and crude oil differential contracts to manage its exposure to fluctuations in the price of crude oil, gas, power, foreign exchange and interest on debt.

The following is a summary of the derivative contracts in place as at June 30, 2017**:**

**Financial WTI Crude Oil Derivative Contracts – Canadian Dollar** (1)

| | | Swap | Three-way Collar | | |
|---|---|---|---|---|---|
| Term | Volume (bbls/d) | Average Price ($/bbl) | Average Sold Call Price ($/bbl) | Average Bought Put Price ($/bbl) | Average Sold Put Price ($/bbl) |
| 2017 July - December (2) | 51,750 | 73.82 | 79.59 | 69.21 | 61.30 |
| 2018 January - June | 18,500 | 74.11 | 79.60 | 73.19 | 64.00 |

(1) The volumes and prices reported are the weighted average volumes and prices for the period.

(2) Includes 4,000 bbls/d which can be extended at the option of the counterparty for the first half of 2018 at an average swap price of $86.16/bbl.

| Financial WTI Crude Oil Differential Derivative Contracts – Canadian Dollar [1] | | | | |
|---|---|---|---|---|
| Term | Volume (bbls/d) | Contract | Basis | Fixed Differential ($/bbl) |
| 2017 July - December | 2,000 | Basis Swap | MSW [2] | (3.66) |

(1) The volumes and prices reported are the weighted average volumes and prices for the period.

(2) MSW refers to the Mixed Sweet Blend crude oil differential.

| Financial AECO Natural Gas Derivative Contracts – Canadian Dollar [1] | | |
|---|---|---|
| Term | Average Volume (GJ/d) | Average Swap Price ($/GJ) |
| 2017 July - December | 40,000 | 3.01 |
| 2018 | 33,973 | 2.83 |
| 2019 | 19,948 | 2.71 |

(1) The volumes and prices reported are the weighted average volumes and prices for the period.

| Financial Power Derivative Contracts – Canadian Dollar | | | |
|---|---|---|---|
| Term | Contract | Volume (MW/h) | Fixed Rate ($/MW/h) |
| 2017 July - December | Swap | 3.0 | 52.50 |

| Financial Interest Rate Derivative Contracts – Canadian Dollar | | | |
|---|---|---|---|
| Term | Contract | Notional Principal ($ millions) | Fixed Annual Rate (%) |
| July 2017 - September 2018 | Swap | 50.0 | 0.90 |
| July 2017 - September 2018 | Swap | 50.0 | 0.87 |
| July 2017 - August 2020 | Swap | 50.0 | 1.16 |
| July 2017 - August 2020 | Swap | 50.0 | 1.16 |
| July 2017 - August 2020 | Swap | 100.0 | 1.15 |
| July 2017 - September 2020 | Swap | 50.0 | 1.14 |
| July 2017 - September 2020 | Swap | 50.0 | 1.11 |

| Financial Cross Currency Derivative Contracts | | | | | |
|---|---|---|---|---|---|
| Term | Contract | Receive Notional Principal (US$ millions) | Fixed Annual Rate (US%) | Pay Notional Principal (Cdn$ millions) | Fixed Annual Rate (Cdn%) |
| July 2017 | Swap | 100.0 | 3.27 | 132.2 | 2.59 |
| July 2017 | Swap | 200.0 | 3.27 | 264.7 | 2.59 |
| July 2017 | Swap | 200.0 | 3.27 | 264.5 | 2.61 |
| July 2017 | Swap | 230.0 | 3.27 | 304.3 | 2.57 |
| July 2017 - August 2017 | Swap | 150.0 | 3.30 | 198.8 | 2.71 |
| July 2017 - August 2017 | Swap | 170.0 | 3.30 | 224.7 | 2.70 |
| July 2017 - August 2017 | Swap | 220.0 | 3.30 | 291.3 | 2.73 |
| July 2017 - September 2017 | Swap | 100.0 | 3.35 | 132.2 | 2.79 |
| July 2017 - September 2017 | Swap | 175.0 | 3.35 | 231.4 | 2.82 |
| July 2017 - April 2018 | Swap | 31.0 | 4.58 | 29.9 | 5.32 |
| July 2017 - June 2018 | Swap | 20.0 | 2.65 | 20.4 | 3.52 |
| July 2017 - May 2019 | Swap | 68.0 | 3.39 | 66.7 | 4.53 |
| July 2017 - March 2020 | Swap | 155.0 | 6.03 | 158.3 | 6.45 |
| July 2017 - April 2021 | Swap | 82.0 | 5.13 | 79.0 | 5.83 |
| July 2017 - June 2021 | Swap | 52.5 | 3.29 | 56.3 | 3.59 |
| July 2017 - May 2022 | Swap | 170.0 | 4.00 | 166.9 | 5.03 |
| July 2017 - June 2023 | Swap | 270.0 | 3.78 | 274.7 | 4.32 |
| July 2017 - June 2024 | Swap | 257.5 | 3.75 | 276.4 | 4.03 |
| July 2017 - April 2025 | Swap | 230.0 | 4.08 | 291.1 | 4.13 |
| July 2017 - April 2027 | Swap | 20.0 | 4.18 | 25.3 | 4.25 |

| Financial Foreign Exchange Forward Derivative Contracts | | | |
|---|---|---|---|
| Settlement Date | Contract | Receive Notional Principal (US$ millions) | Pay Notional Principal (Cdn$ millions) |
| May 2022 | Swap | 30.0 | 32.2 |

## 23. RELATED PARTY TRANSACTIONS

All related party transactions are recorded at the exchange amount.

During the three and six months ended June 30, 2017, Crescent Point recorded $2.8 million and $6.2 million, respectively, (June 30, 2016 - $0.3 million and $3.5 million, respectively) of expenditures in the normal course of business to an oilfield services company of which a director of Crescent Point is a director and officer. The oilfield services company is one of only a few specialized service providers in their area of expertise with capacity and geographical presence to meet the Company's needs. The service company was selected, along with a few other key vendors, to provide goods and services as part of a comprehensive and competitive request for proposal process with key factors of its success including the unique nature of proprietary products, the ability to service specific geographic regions, proven safety performance and competitive pricing.

## 24. SUPPLEMENTAL DISCLOSURES

### Cash Flow Statement Presentation

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | **2017** | 2016 |
| **Operating activities** | | | | |
| Changes in non-cash working capital: | | | | |
| Accounts receivable | **33.3** | 3.9 | **45.1** | 61.0 |
| Prepaids and deposits | **2.8** | 2.3 | **(2.8)** | (2.3) |
| Accounts payable and accrued liabilities | **(32.3)** | 19.6 | **(40.1)** | (78.2) |
| Other current liabilities | **0.7** | - | **0.7** | - |
| Other long-term liabilities | **(1.2)** | - | **(1.2)** | - |
| | **3.3** | 25.8 | **1.7** | (19.5) |
| **Investing activities** | | | | |
| Changes in non-cash working capital: | | | | |
| Accounts receivable | **0.9** | 6.1 | **(5.8)** | 5.8 |
| Accounts payable and accrued liabilities | **(67.6)** | (55.9) | **(64.7)** | (133.1) |
| | **(66.7)** | (49.8) | **(70.5)** | (127.3) |
| **Financing activities** | | | | |
| Changes in non-cash working capital: | | | | |
| Dividends payable | **0.1** | - | **0.3** | (35.3) |

| | Three months ended June 30 | | Six months ended June 30 | |
|---|---|---|---|---|
| ($ millions) | **2017** | 2016 | **2017** | 2016 |
| **Other** | | | | |
| Lease inducement | **(0.9)** | (0.9) | **(1.8)** | (1.8) |
| Onerous contracts provision | **2.6** | (0.7) | **2.8** | (1.3) |
| | **1.7** | (1.6) | **1.0** | (3.1) |

## 25. GEOGRAPHICAL DISCLOSURE

As at June 30, 2017, Crescent Point's non-current assets related to the U.S. foreign operations was $2.5 billion (December 31, 2016 - $2.2 billion). For the three and six months ended June 30, 2017, Crescent Point's oil and gas revenue related to the U.S. foreign operations was $85.6 million and $156.7 million, respectively (June 30, 2016 - $51.3 million and $99.3 million, respectively).

**Directors**

Peter Bannister, Chairman [3] [4]

Rene Amirault [4]

Laura Cillis [1] [2]

Hugh Gillard [5]

Ted Goldthorpe [1] [5]

Robert Heinemann [2] [3] [4]

Mike Jackson [1] [2]

Barbara Munroe [2] [5]

Gerald Romanzin [1] [3]

Scott Saxberg [4]

[1] Member of the Audit Committee of the Board of Directors

[2] Member of the Compensation Committee of the Board of Directors

[3] Member of the Reserves Committee of the Board of Directors

[4] Member of the Environmental, Health & Safety Committee of the Board of Directors

[5] Member of the Corporate Governance and Nominating Committee

**Officers**

Scott Saxberg
President and Chief Executive Officer

Ken Lamont
Chief Financial Officer

Neil Smith
Chief Operating Officer

Derek Christie
Sr. Vice President, Exploration and Geosciences

Tamara MacDonald
Sr. Vice President, Corporate and Business Development

Brad Borggard
Vice President, Corporate Planning and Investor Relations

Mark Eade
Vice President, General Counsel and Corporate Secretary

Ryan Gritzfeldt
Vice President, Marketing and Innovation

Steve Toews
Vice President, Engineering and Operations

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**Auditor**

PricewaterhouseCoopers LLP
Calgary, Alberta

**Legal Counsel**

Norton Rose Fulbright Canada LLP
Calgary, Alberta

**Evaluation Engineers**

GLJ Petroleum Consultants Ltd.
Calgary, Alberta

Sproule Associates Ltd.
Calgary, Alberta

**Registrar and Transfer Agent**

Investors are encouraged to contact Crescent Point's Registrar and Transfer Agent for information regarding their security holdings:

Computershare Trust Company of Canada
600, 530 - 8th Avenue S.W.
Calgary, Alberta T2P 3S8
Tel: (403) 267-6800

**Stock Exchanges**

Toronto Stock Exchange - TSX
New York Stock Exchange - NYSE

**Stock Symbol**

CPG

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